

The  
COLONIAL NEWSLETTER  
A Research Journal in Early American Numismatics

Volume 54, Number 1

April 2014

Serial Number 154



**Editorial**  
Page 4105

**Roger Moore**  
*1776-dated Counterfeit Irish Halfpence:  
A Non-Regal Research Group Project*  
Pages 4107–4120



**Philip L. Mossman**  
*Money in England's New World:  
Virginia*  
Pages 4121–4171

Copyright © 2014  
The American Numismatic Society

US ISSN 0010-1443

Sequential page 4103

*The Colonial Newsletter* (CNL) is published three times a year by The American Numismatic Society (ANS), 75 Varick Street, 11th Floor, New York, NY 10013. CNL is available at the rate of \$45 per year for ANS members and \$60 per year for non-members. For inquiries concerning CNL, please contact Viviana Londono at the above postal address: e-mail <membership@numismatics.org>; telephone (212) 571-4470 ext. 117, or FAX (212) 571-4479. One can subscribe to CNL online or download a subscription form from the ANS website at <www.numismatics.org/CNL/CNL>.

**ANS Executive Director:** Dr. Ute Wartenberg Kagan

**Editor Emeritus:** James C. Spilman †

**CNL Staff**

Editor: Oliver D. Hoover <CNL@numismatics.org>

Contributing Editor: Philip L. Mossman, M.D.

Associate Editor: Dr. Louis E. Jordan

Associate Editor: Dr. John M. Kleeberg

Associate Editor: John J. Kraljevich, Jr.

Associate Editor: Gary Trudgen

Curatorial Assistant: Sylvia Karges

Visit the ANS website at <www.numismatics.org> and the CNL web page at <www.numismatics.org/CNL/CNL>.



**Submitting Material for Publication**

We encourage our readers to consider submitting material on early North American numismatics to CNL for publication. In general, this includes coins, tokens, paper money, and medals that were current before the U.S. Federal Mint began operations in 1793. However, there are certain pieces produced after the 1793 date that have traditionally been considered part of pre-Federal numismatics and should be included. We cover all aspects of study regarding the manufacture and use of these items. Our very knowledgeable and friendly staff will assist potential authors to finalize submissions by providing advice concerning the text and help with illustrations. Submissions in either electronic or hard copy format, should be sent to the editor via the e-mail address given above or through the ANS at their postal address. Electronic text submissions should be formatted in Word with separate grayscale images.



### Editorial

We all entered the world of Colonial numismatics by different paths and the coins continue to hold our attention for as many different reasons as there are individuals who have an interest in them. It seems to me that the full spectrum of joy brought to us by Colonial coins is encapsulated by the Latin legend that appears on the reverse of gold *carolins* struck by the German states of Bavaria, Hesse Darmstadt, Mannheim, and Württemberg in the early eighteenth century: OCCULTA PATEBUNT. In English, this means "Hidden things shall be brought to light."

This could easily serve as the motto for the field of Colonial numismatics in general. Some fortunate collectors have known the thrill of discovering a new variety never before seen or recognized by the collecting community. Many others have savored the excitement of cherry-picking a coin from a dealer's inventory when others have unknowingly passed it by. Readers with taste for metal detectors are well aware of the rush that comes from digging a seventeenth- or eighteenth-century coin out of the ground and looking upon a piece of metal that no eye has seen for hundreds of years. One of my personal favorites—and one upon which *The Colonial Newsletter* is founded—is the thrill of discovering some new

piece of information that allows us to better understand what the coins are trying to tell us about the political, economic, technological, and cultural history of the times in which they were originally produced.

In this issue of *CNL*, Roger Moore elucidates us on the subject of the large and popular series of counterfeit Irish halfpence dated 1776. Philip Mossman also brings to light an important new history of money in Colonial Virginia, including *carolins* and the saga of their value rating by the Virginia House of Burgesses.

Due to the super-sized nature of *CNL*-154, it was decided to take a break from the ongoing publication of the ANS Colonial collection. It will be back in the next issue of *The Colonial Newsletter* along with articles on St. Patrick, New Jersey, and Blacksmith coppers. But all this and other surprises must remain hidden until August, when they will be revealed in the light of the summer sun.

Oliver D. Hoover  
CNL@numismatics.org

## Two important colonial numismatic works available from the ANS:

*New Jersey State Coppers* by Roger S. Siboni, John L. Howes, and A. Buell Ish

As William Sheldon eloquently put it in *Penny Whimsy*,

Old copper, like beauty, appears to possess a certain intrinsic quality or charm... [with] an almost living warmth and personality not encountered in any other metal.... You see rich shades of green, red, brown, yellow, and even deep ebony: together not elsewhere matched in nature save perhaps in autumn leaves....

*New Jersey State Coppers* shows that never were these words more true than in the case of the coins struck for New Jersey by Thomas Goadsby, Albion Cox, Walter Mould, and Matthias Ogden. By way of introduction, the authors fully discuss the often tumultuous history of the New Jersey copper coinage and its creators alongside the equally compelling story of the men, like Dr. Edward Maris, who first appreciated the “living warmth and personality” of the coins and formed the great collections of the nineteenth and twentieth centuries. Every known New Jersey die variety is presented in minute detail with lavish enlarged full-color illustrations, condition censuses, as well as commentary on die states and other notable features.

The authors also include such supplementary material as the original documents related to the eighteenth-century coining venture, imitations created for the collector market in the nineteenth century, as well as suggestions for developing a personal collection. *New Jersey State Coppers* will surely become the primary tool for the study of this coinage and the basis for deepening the understanding and appreciation of its charm as old copper.

Ordering details available online at:

<http://numismatics.org/Store/NewJersey>

*From Crime to Punishment: Counterfeit and Debased Currencies in Colonial and Pre-Federal America* by Philip L. Mossman

Ever since coinage was developed in ancient Lydia, an element of society has sought to debase the coin of the realm for personal gain not only by counterfeiting, but also by shaving away precious metal. Currency debasement was not confined to the proletariat since throughout history various monarchs increased their royal revenues, or seigniorage, by reducing the quality of the coins' specie content or its weight standard. The current text follows closely the course of royal English copper coinages whose high potential profit made them an ideal prey for counterfeiters. These forgeries flowed freely into the colonies where they overwhelmed, and eventually collapsed, the small change medium but not before various states sought to correct the evil of this imported copper trash.

Great attention is paid to Great Britain's mercantilistic policies which shaped the character of the currency in the North American colonies where chronic hard money shortages encouraged counterfeit coinages of all stripes whose actual manufacture and circulation is examined in great detail. Colonists further sought to expand their monetary pool by printing bills of credit to meet the exigencies of the French and Indian Wars. This new paper currency likewise became the target for forgery and a battle royal ensued between the colonial treasurers and bands of counterfeiters as they competed to outsmart each other. But as “the weed of crime bears bitter fruit,” many counterfeiters were apprehended and punished for their evil deeds.

Ordering details available online at:

<http://numismatics.org/Store/NS27>



## 1776 DATED COUNTERFEIT IRISH HALFPENCE: A NON-REGAL RESEARCH GROUP PROJECT

by

Roger Moore, MD; Moorestown, NJ

### Introduction

Following an Initial study of 1700s British and Irish counterfeit halfpence,<sup>1</sup> Clem Schettino and Byron Weston attempted to categorize some of these coins into groups, called Families.<sup>2</sup> This effort was furthered by the sharing of images and information about individual coins using the internet-based Non-Regal Research Group, which allowed a number of these Families to be defined by variety.<sup>3</sup> However, many counterfeit halfpence remain to be placed into a specific Family. In an attempt to provide some direction in the area of Irish halfpence with non-Regal dates, Jeff Rock published an excellent overview of the known varieties,<sup>4</sup> but due to the large numbers of 1776 and 1783 varieties, these two dates were omitted. The non-Regal 1783 Irish coins were measured, photographed, and categorized during the non-Regal session of the 2011 Annual Convention of the Colonial Coin Collectors Club (C-4). The results were subsequently published.<sup>5</sup> At the 2012 Annual Convention of The Colonial Coin Collectors Club, a similar effort was made to gather information on 1776-dated non-Regal Irish halfpence. The results of that effort are provided in this paper.

A key question is whether Regal 1776 Irish halfpence exist or if all 1776-dated coins are counterfeit. In 1899, Grueber indicated that Regal 1776 Irish halfpence were struck, but he also erroneously reported the existence of Regal 1783 halfpence.<sup>6</sup> Seaby seemed to support Grueber's position on the 1776 issues with the statement,

New Irish coppers were minted at London in 1766 and 1769 and again in 1775–1776 and 1781 and 1782, but supplementing these were large quantities of light-weight counterfeits, manufactured mainly in Birmingham.<sup>7</sup>

Seaby also included 1776 Irish halfpence in the listing of dates for imitations, thereby indicating that both Regal and counterfeit Irish coins dated 1776 existed. The present author is still unsure

1 W. T. Anton Jr. and B. Kesse, *The Forgotten Coins of the North American Colonies* (Woodcliff Lake, NJ, 1990).

2 C. Schettino, B. Weston, J. Spilman, and G. Trudgen, *The Categorization of Counterfeit British & Irish 1/2d & 1/4d of George II & III—A Preliminary Progress Report on Family Groups & Subgroups* (The Colonial Newsletter Foundation, 2002).

3 J. Louis, "Slopehead – Family of Counterfeit Halfpence," *C-4 Newsletter* 16.3 (Fall 2008): 22; R. Moore, "The Lanky Letter Family of Counterfeit Halfpence," *CNL* 142 (April 2010): 3521-3535; "The Swollen Jowls Family of Counterfeit Halfpence," *CNL* 146 (August 2011): 3762-3771; "The Boyish George Family of Counterfeit Halfpence," *CNL* 148 (April 2012): 3865-3885; "Capped Head: A Family of Counterfeit Halfpence," *CNL* 151 (April 2013): 3987–4005; "Flaming Sprig: A Family of Counterfeit Halfpence," *CNL* 151 (April 2013): 4006–4011; R. Moore and J. Rock, "The Rubber Lady Family of Counterfeit Halfpence," *CNL* 149 (August 2102): 3910-3919; D. Palmer and B. Weston, "TN-210: The Long Neck Family of English Counterfeit Coppers," *CNL* 145 (April 2011): 3713-3714.

4 J. Rock, "Non-Regal Dated Irish Halfpence: A Survey of Known Dates and Varieties," *CNL* 147 (December 2011): 3793-3825.

5 R. Moore, C. Rohrer, and R. Rose, "1783 Dated Counterfeit Irish Halfpence: A Non-Regal Research Group Project," *C-4 Newsletter* 20.4 (Winter 2012): 24-40.

6 H. A., Grueber, *Handbook of the Coins of Great Britain and Ireland in the British Museum* (London, 1899): 246.

7 B. A. Seaby, *Coins and Tokens of Ireland*, Part 3 (London, 1970): 83-84 and 145-146.



of the existence of Regal 1776-dated Irish halfpence, but Jack Howes has supplied images of a coin that he feels has the characteristics of a Regal coin.<sup>8</sup> This coin is illustrated in figure 1 alongside a Regal 1775-dated Irish halfpenny for comparison.

The survey of known 1776-dated Irish halfpence was undertaken not to develop a single Family of common origin. From the beginning it was obvious that the various coins dated 1776 differ widely in style, quality of engraving, minting method, and the use of punches. Therefore the coins must belong to a diverse number of Families. The obverses of most of these coins were also found paired with reverses of different dates. These date pairings may perhaps provide the basis for the future development of groups into specific Families.

Bearing these facts in mind, the survey was intended simply to discover how many different 1776-dated Irish halfpence are presently known and to determine their relative rarity. As in the survey of 1783-dated Irish halfpence, an initial attempt to divide the diverse coins into seemingly related groups failed. While some coins displayed many stylistic similarities, there was such a mixture of styles that making a specific grouping would require a far more intensive multi-date study. It was finally decided to parallel the study of the 1783-dated Irish halfpence

<sup>8</sup> Jack Howes, private email communication March 26, 2013.

and divide the coins into two broad groups—one of extremely crude coins produced by hand-cut dies, and one of coins displaying better workmanship. Further work will be needed in the future to differentiate specific Families within each of these groups.

### Variety Characteristics

Before providing a detailed description of the two groups, it must be pointed out that the usual labeling convention for coins in a counterfeit Family assigns a number to obverses and a letter to reverses. However, as in the case of the 1783-dated Irish halfpence, this system was inappropriate for the 1776-dated halfpence since diverse groups and not a single Family were being evaluated. In order to avoid confusion later when the Families are identified, each die combination has been given a single number here. Coins of the Crude Group are numbered from 1 to 10 and those of the General Group are numbered 20 to 51. Numbers from 11 to 19 have been reserved to accommodate the discovery of new Crude 1776-dated Irish halfpence in the future.

### 1776 Crude Irish Group

The Crude Group (Fig. 2, below) may represent the 1776-dated portion of a single Family of Irish Counterfeit halfpence. The dies were all cut by hand and the portraits are generally comical in appearance. The derisive name “Mr. Potato Head” has been given to the group as the haphazard placement of the facial features is reminiscent of the results after a child has played with the still-popular toy in which a face is constructed from disparate parts on a head formed by a potato. Generally speaking, die breaks, off-center strikes, uneven strikes, poorly rounded planchets, and extremely crude die-sinking is normal for this group. These features all point to an amateurish minting operation. It is notable that there is very little die-sharing among the varieties with two separate sets of two obverses sharing different reverses (1-2 and 3-4).<sup>9</sup>

Readers should be cautioned that figure 2 illustrates the different Crude varieties using high grade specimens exhibiting the greatest detail. However, many of the examples that will be found by collectors will be of a much lower grade and lacking many details. In the Crude Group a total of ten obverses and eight reverses were used to produce ten varieties.

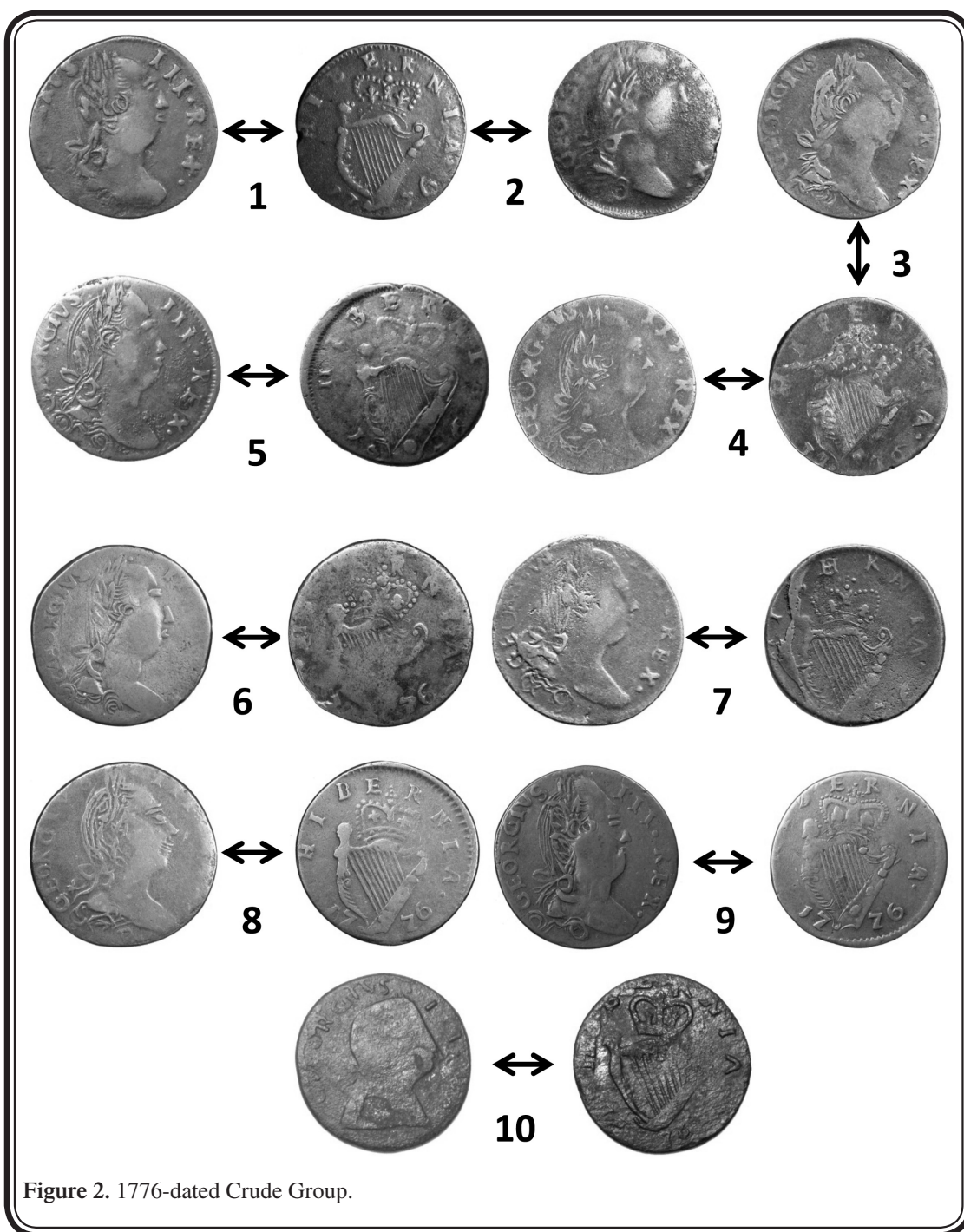
**Obverses.** All ten of the obverses presently known depict King George III facing right. Varieties 8 and 10 feature portraits that lack the “Mr. Potato Head” quality of the others, but the crudeness of the die-cutting demands that they be placed in this group. However, with further study they may ultimately find themselves in a different Family from the rest. The other eight Crude varieties are similar enough in style that they might all be members of a single Family.

**Reverses.** The eight reverses known at this time are all crudely cut by hand. Six feature a harp with nine strings, but the instrument on reverse 10 has seven and that on reverse 4 has ten or eleven. On this reverse one string divides into two as it ascends from bottom to top.

### 1776 General Irish Group

The General Group (Figs. 3–5, below) is made up of 28 obverses and 23 reverses producing 32 varieties. This group exhibits a good deal of internal die-sharing. Many coins also share obverse dies with other dated counterfeits and eventually will be assigned to separate Families.

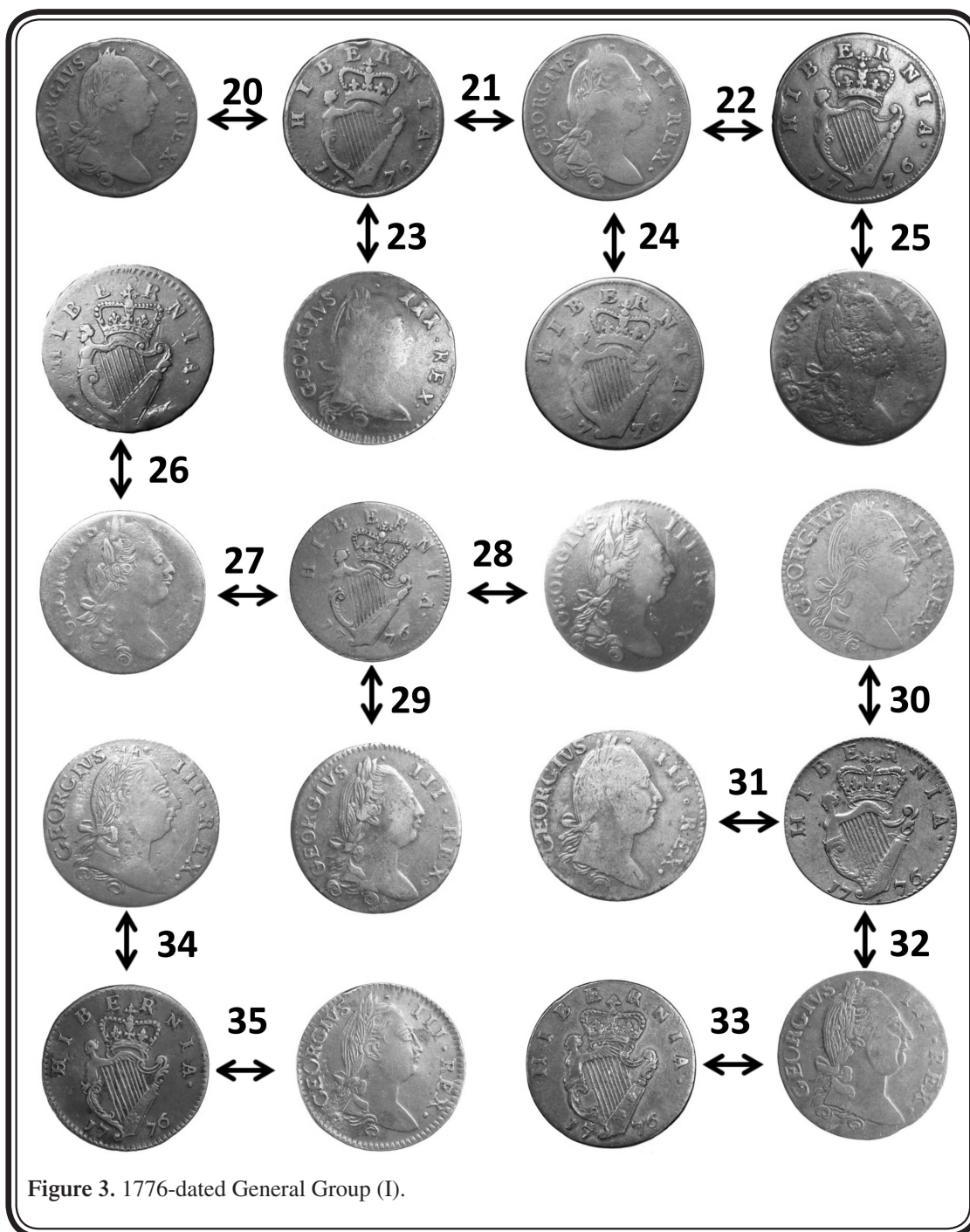
<sup>9</sup> These crude 1776-dated Irish halfpence seem to have been a favorite of Mike Ringo. He had his own numbering system for these coins and they are well represented in the sale of his counterfeits. See *Stack's Americana Sale of Selections From the Michael K. Ringo Collection of Contemporary Counterfeit English and Irish Halfpence* Part 1 (January 15–16, 2008).



For instance, nos. 39, 40, 41 and 42 share a similar obverse central device that appears on other dated Irish counterfeits, while nos. 50 and 51 exhibit features of the Simian Family. Likewise, many of the obverses have characteristics of the *Georgivs Triumpho* Family.

**Obverses.** There are 28 obverses known at this time. Unlike the obverses of the Crude Group, those of the General Group are well-made, using punches, rather than hand-cut designs and legends. All obverses depict King George III facing right. However, the portrait style varies

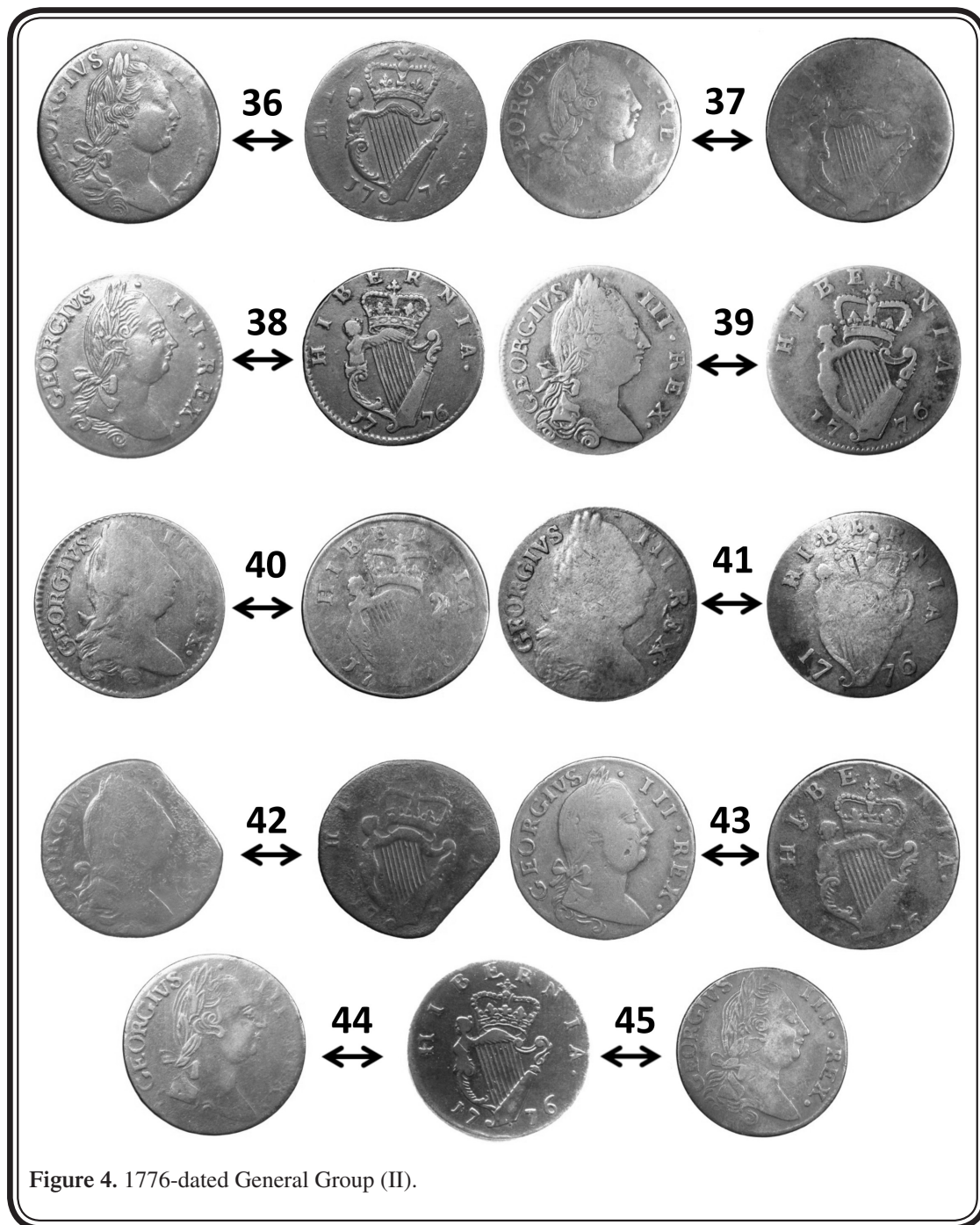




considerably from die to die. There is some diversity in the punches used to make the letters and ordinal numbers of the legends. These observations underline the fact that this large grouping is simply an amalgamation of many Families united only by a reverse bearing the 1776 date.

*Reverses.* There are 23 different reverses known at this time. Almost all of the harps have nine strings, but there are exceptions. The harp of variety 26 has eight strings and the number of





strings on reverses 40, 41, and 46 are not discernible due to the condition of the coins. The treatment of the female figure on the front of the harp also differs significantly from die to die, as do the punches used to make the legends. Despite minor variations, there is some consistency in the style of the crowns over the harp.

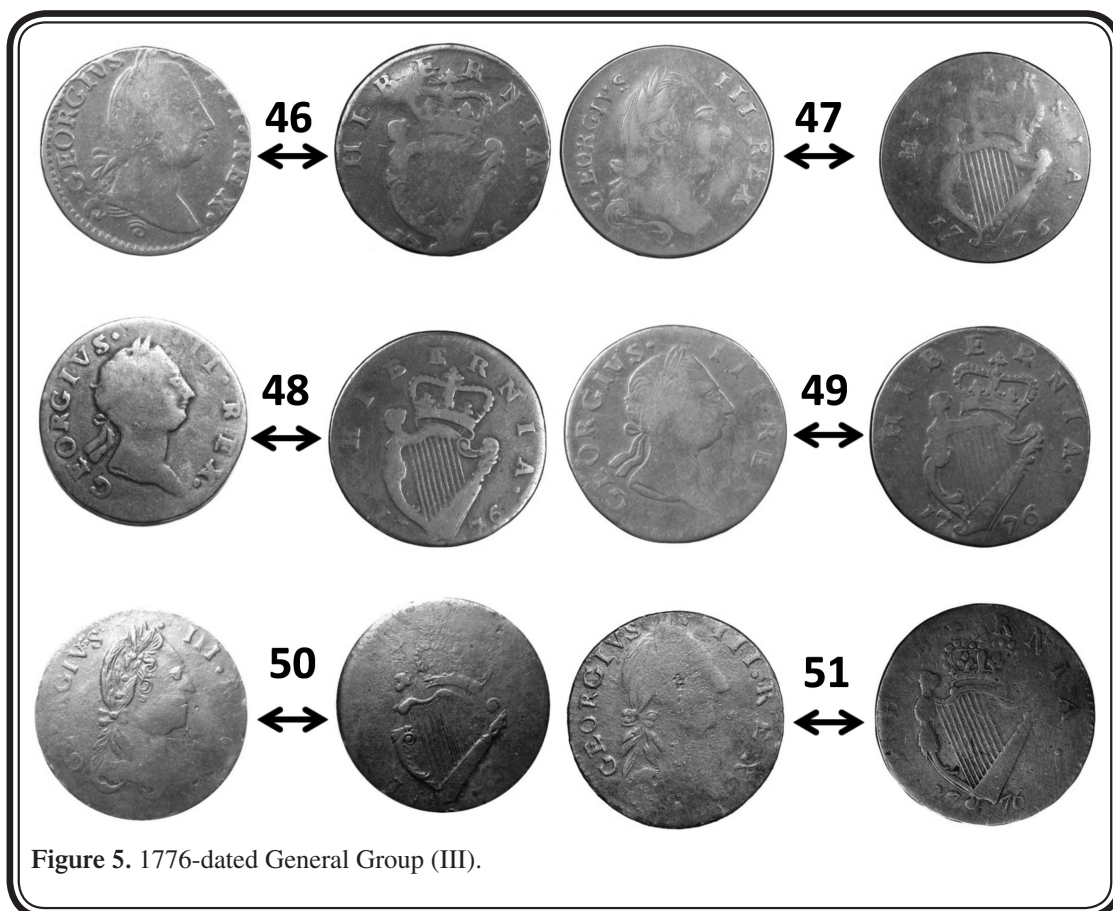


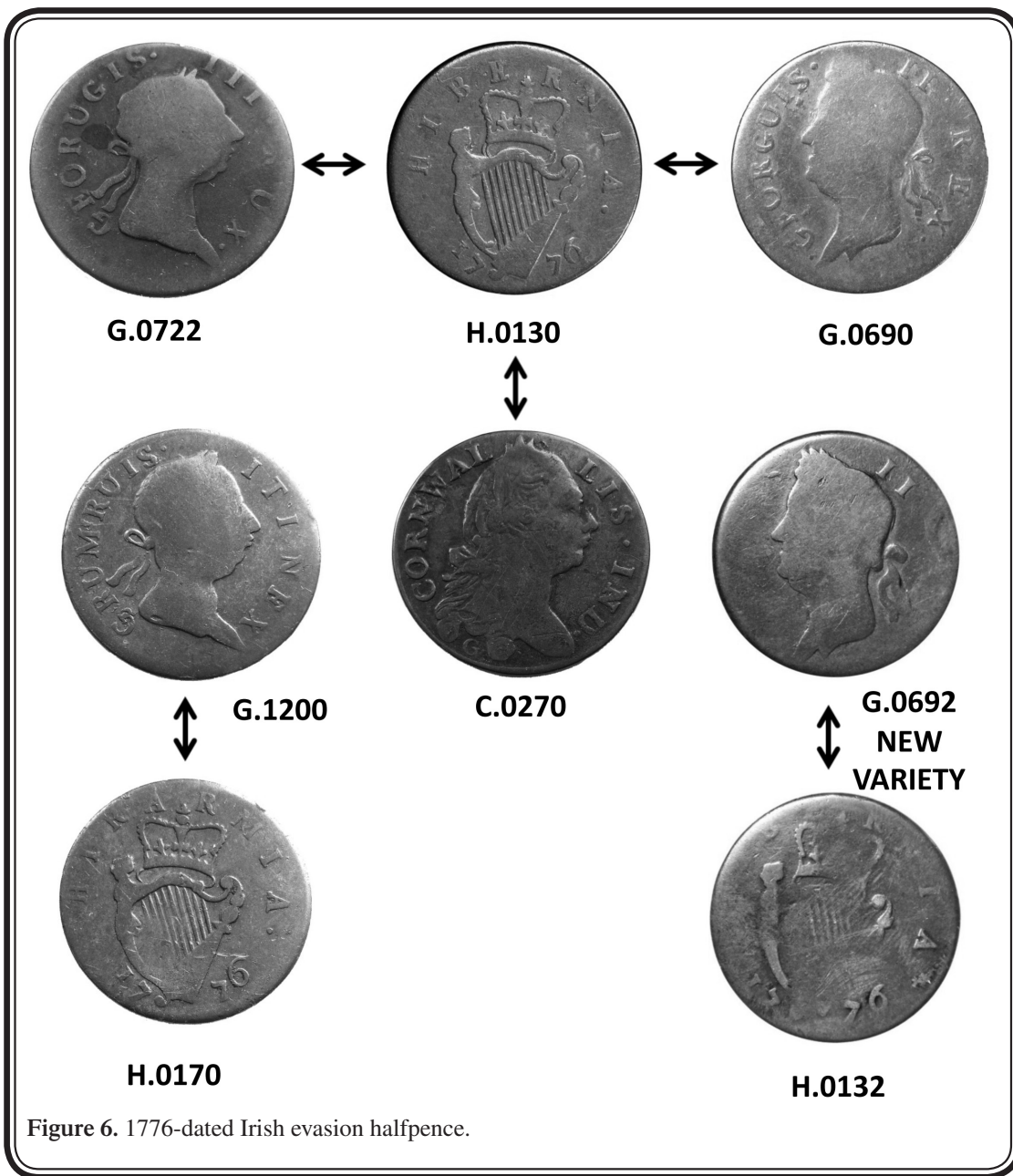
Figure 5. 1776-dated General Group (III).

### 1776 Irish Evasions

It is beyond the scope of this paper to explore all 1776-dated Irish evasions. However, it became clear from images of lower grade coins submitted to the author that 1776-dated Irish counterfeit halfpence and 1776-dated Irish evasions might be confused with each other. Because of this potential confusion, a plate of 1776 dated Irish evasions is provided in figure 6. The evasions are just as scarce as the 1776-dated Irish counterfeit halfpence and one can easily see how the former might be confused for the latter in cases where the date is visible but the legends are illegible. However, the obverse portraits of the evasions should clear up any possible confusion caused by the dated reverse. They depict either King George II facing left or King George III facing right with a small pointed nose that is not in keeping with the styles of either the Crude or the General 1776-dated Irish counterfeit groups.

The primary evasion reverse (H.0130) does not correspond to any of the known 1776 dated Irish counterfeits and reverse H.0170 has a legend spelling HIRARNIA, rather than HIBERNIA. During the course of this study a new variety of 1776-dated Irish evasion (G.0692-H.0132) was discovered.<sup>10</sup> The obverse designation G.0692 was tentatively assigned on the assumption that it has the legend GEORGUIS II REX. Should a higher grade specimen be found that shows a different legend, this designation will require modification.

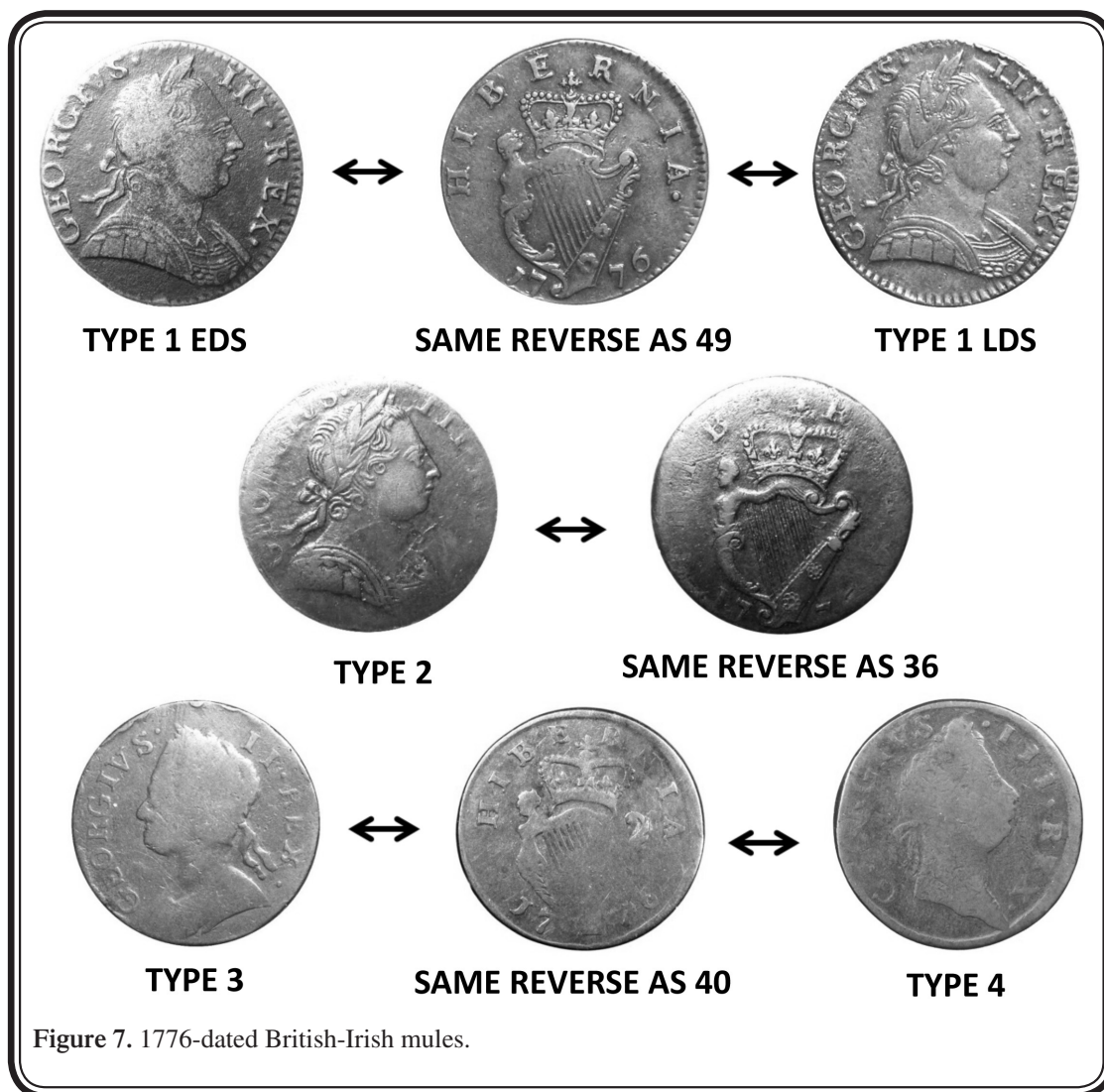
<sup>10</sup> Jeff Rock and Morris Hankins, private email communications (March 25, 2013).



### 1776 British/Irish Mules

In addition to the usual 1776-dated counterfeit Irish halfpence, there exists at present four varieties (Types 1–4) that have a British counterfeit obverse and an Irish counterfeit reverse (Fig. 7, below). Both an early (EDS) and later (LDS) die state is illustrated for Type 1. The Type 1 reverse seems to be the same employed for variety 49 in the 1776 General Group and the obverse comes from an unpublished Family of counterfeit halfpence called the *Georgivs Triumpho* Family. Similarly, Type 2 seems to have the same reverse as variety 36 in the General Group and involves an obverse die from another unpublished Family known as the "Young Head" Family. Types 3 and Type 4 each seem to share the same reverse die, which also occurs in variety 40 of the General Group. The obverse of Type 3 comes from the unpublished





"Grumpy George" Family, which has extensive relationships with the evasion series. The Type 4 obverse comes from an undescribed Family of British counterfeit halfpence and the coin is presently unique, both as a mule and as a British obverse die.

### Die States

Figure 8 (below) illustrates different die states for varieties 33 and 34 of the General Group. The obverse of variety 33 is shown in three die states—early (EDS) with no die breaks, middle (MDS) with a small break on the forehead, and late (LDS) with large die breaks. The EDS and LDS for the reverse of variety 33 are also presented. The obverse EDS of variety 33 comes paired only with the EDS of the reverse. As might be expected, the obverse die deteriorated along with the reverse. The obverse of variety 34 is depicted in its early die state, without die breaks, and in a later die state exhibiting extensive breaks.



### Metrology

As in the 1783-dated counterfeit Irish halfpence study, the most surprising discovery in the analysis of the 1776-dated counterfeit Irish halfpence was the large number of varieties. Previously most collectors have assumed that relatively few varieties are involved. Out of more than 200 coins evaluated, 42 die varieties were identified. In addition, within these 42 varieties, 16 are known from only one or two coins. This would seem to indicate that there may be many more varieties still to be discovered. Collecting 1776-dated counterfeit Irish halfpence by die variety would therefore be a serious challenge.

**Crude Group.** Table 1 (below) summarizes the data obtained from 24 coins from the Crude Group. The first number in the table is the total number of coins known for that variety and is therefore a good indicator of current rarity. No more than four coins are currently known for a



single variety in this group. Half are known from only two specimens or less. The coin number following the weight and diameter ranges indicates the number of coins actually measured for that specific piece of data. Most of the coins were measured by the author at the 2012 C-4 meeting, but some of the information was submitted by owners of the coins that could not attend. Therefore, there may be some variability in the accuracy of specific measurements. Generally speaking, there was wide variability in the weights of the planchets even within varieties. Weights range from a low of 67.3 grains to a high of 141 grains. This broad range points to a poorly controlled and inconsistent supply of planchets. The average weight for all varieties combined is 106.5 grains. Planchet diameters also exhibit considerable variability with all coins ranging between 25.3 mm and 27.9 mm. The average diameter for all coins in the Crude Group is small at 26.5 mm. Considering the crudeness of the style, die-sinking, and striking of these coins, it is not surprising that there is also inconsistency in the die axes. Although slightly over half of the coins did have the expected "coin turn" axis of 180 degrees, one was "medal turn" at 360 degrees, three were off "coin turn" in a clockwise direction by 45 degrees, and six were off by 90 degrees in a clockwise direction. Unlike the evaluation of varieties in the "Lanky Letters" Family of counterfeit halfpence, the presence of a specific axis was not universal within a variety, indicating that for these 1776-dated Irish counterfeits the minter had not retained the dies in a fixed orientation throughout the minting of a variety. On the other hand, all examples of variety 6 feature an axis of 90 degrees off coin turn in a clockwise direction.

**General Group.** The data for the General Group is presented in Table 2 (below). Despite the far more primitive aspect of the Crude Group, a similar variability for the General Group in both weights and diameters was seen. There was wide variability in the weights of the planchets both generally and within specific variety groups. Weights range from a low of 67 grains to a high of 135.7 grains. The average weight for all varieties combined is 101.3 grains. Planchet diameters vary from the smallest at of 26.2 mm to the largest at 28.3 mm. The average diameter for all coins in the General Group is 27.2 mm. Far fewer coins, both in number and variety within the General Group have axes that are not "coin turn." Only 10 out of a total of 176 coins have a "medal turn" axis, and these occur in only five of the thirty-two varieties. Looking at the "medal turn" varieties (25, 26, 34, 37, and 43), it is highly probable that three of them (25, 26, and 37 ) originated in the same minting operation due to their similar fabric and the style of King George III. Also supporting the attribution of these coins to the same minting operation is the fact that varieties 25, 26, and 37 all have average weights less than 80 grains. Variety 36 also falls into this low weight category, but it does not exhibit a "medal turn" axis. However, it is connected to 25, 26, and 37, by its obverse portrait style. These four varieties could be part of a distinct Family based on the stylistic and metrological evidence. Varieties 50 and 51 also have average weights that fall below 80 grains, but these belong to an unpublished Family of Irish "Simians."

Table 1: The Metrology of the Crude Group

Variety	Known Specimens	Average Weight	Weight Range	Number Weighed	Average Diameter	Diameter Range	Number Measured	Axes and Comments
1	3	101.2	86.2–111.8	3	26.4	25.7–26.9	3	1—coin turn; 2—45 degrees clockwise off coin turn.
2	1	73.2		1	26.1		1	Medal turn.
3	3	116.1	110.7–121.5	2	27.4	27.1–27.9	2	1—coin turn; 2—90 degrees clockwise off coin turn.
4	4	95.7	67.3–119.2	4	26.5	26.1–26.8	4	2—coin turn; 1—45 degrees clockwise off coin turn; 1—90 degrees clockwise off coin turn.
5	2	109.5		1	25.8		1	Coin turn.
6	3	126	110.7–141	3	26.6	26.1–26.9	3	90 degrees clockwise off coin turn.
7	2	108.9	89–128.7	2	26.6	26–27.1	2	1—coin turn; 1—90 degrees clockwise off coin turn.
8	3	115.5	113.2–118.5	3	26.3	25.3–26.9	3	Coin turn.
9	1	104.5		1	26.9		1	Coin turn.
10	2	97.2	95.4–99	2	26.1	26–26.1	2	Coin turn; one clipped.
<b>TOTAL</b>	<b>24</b>	<b>106.5</b>	<b>67.3–141</b>	<b>22</b>	<b>26.5</b>	<b>25.3–27.9</b>	<b>22</b>	<b>12—coin turn; 1—medal turn; 3—45 degrees clockwise off coin turn; 6—90 degrees clockwise off coin turn.</b>

Table 2: The Metrology of the General Group

Variety	Known Specimens	Average Weight	Weight Range	Number Weighed	Average Diameter	Diameter Range	Number Measured	Axes and Comments
20	4	114.8	103.1–124.4	4	27.6	27.3–28	4	Coin turn.
21	8	128.4	122.6–135.7	8	27.8	27–28.1	8	Coin turn.
22	5	122.1	100.8–134.1	5	27.6	26.6–28.1	5	Coin turn.
23	2	98.4	96.3–100.4	2	28.1	27.7–28.1	2	Coin turn.
24	1	129.9		1	28.3		1	Coin turn.
25	3	79	78.5	2	27.3	27.2–27.3	2	Medal turn.
26	11	69.9	66–78.7	10	26.9	26.4–28.1	10	9—coin turn; 1—medal turn.

27	4	93.5	78.6–109.6	4	27.5	27.2–28.1	4	Coin turn.
28	2	97.5	95.3–99.7	2	27	27–27	2	Coin turn.
29	5	104.8	101.2–110	4	26.9	26.5–27.1	4	Coin turn.
30	6	110.7	102.8–121.6	6	26.7	26.5–27.3	6	Coin turn.
31	7	112.3	105.7–125.5	6	27.2	26.9–27.6	6	Coin turn.
32	12	110.9	98.4–119.2	11	26.7	26–27.7	11	Coin turn.
33	10	114.6	105.6–122.4	6	27.1	26.7–27.5	6	Coin turn.
34	5	86.5	74–117.1	5	27.6	27.2–28	5	2—coin turn; 3—medal turn.
35	9	115.3	100.8–129.9	9	27.7	26.9–28.3	9	Coin turn.
36	6	76	67.1–82	5	26.4	26.2–26.7	5	Coin turn.
37	9	78.1	67–87.7	9	26.8	26.5–27.2	9	6—coin turn; 3—medal turn.
38	20	107.4	82.2–127	16	27.2	23.9–28	16	Coin turn.
39	3	114.5	100.6–126.8	3	27.2	27–27.3	3	Coin turn.
40	2	98.8	94–103.6	2	28.1	28.1–28.1	2	Coin turn.
41	2	109.3	91.3–127.2	2	27.9	27.9–27.9	2	Coin turn.
42	1	92.5		1	27.5		1	Coin turn.
43	2	117.4	116.6–118.2	2	27	26.7–27.2	2	1—medal turn; 1 45 degrees clockwise off coin turn.
44	4	115.3	109.3–118.8	4	27	26.9–27.1	4	Coin turn.
45	15	113.5	105.2–124.7	14	26.9	26.4–27.1	14	Coin turn.
46	1	109.9		1	26.7		1	Coin turn.
47	1	109.7		1	27.2		1	Coin turn.
48	2	99		1	27.4		1	Coin turn.
49	2	99.7	91.6–107.8	2	27.5	27–27.9	2	Coin turn.
50	5	65.4	49.2–81	5	26.2	26–27.7	5	Coin turn.
51	7	76.4	67.5–86.1	7	27.5	26.7–27.1	7	4—coin turn; 3—45 degrees clockwise off coin turn.
<b>TOTAL</b>		101.3	67–135.7	160	27.2	26.2–28.3	160	146—coin turn; 10—medal turn; 4—45 degrees clockwise off coin turn.

## Conclusions

The 1776-dated Irish halfpence are a very diverse group of coins that probably make up the 1776-dated portion of many different Families. The most surprising aspect of this survey was how many different varieties of the 1776 dated Irish halfpence exist. Forty-two distinct varieties are now recognized and many of these are represented by only a single coin. The author expects that there are many other varieties yet to be discovered as well as new specimens of existing varieties. One sub-group within the Crude Group of counterfeits has been called the "Mr. Potato Heads" based on similarities of style and workmanship that point to a common origin. Likewise, a number of similar sub-groups within the General Group are evident. These could be linked to identical or similar die varieties bearing other dates to make up Families of coins that were produced by a common minting operation. The General Group members with low weights and with abnormal die axes discussed in the metrology section might represent one such Family.

Coins of the Crude Group are distinguished by dies cut by hand in an amateurish manner and by the frequent use of unusual die alignments. Almost half the coins feature an axis that is not "coin turn." At least eight of the ten varieties in this grouping may belong to the same minting operation. Along with the unusual die axes, the coins are mostly low weight and small in diameter. For the 32 varieties in the General Group there was even greater variability in diameters and weights. Within the General Group, five varieties included coins struck "medal turn." These coins also had some of the lowest weights—less than 80 grains on average. With further study it may be that these varieties, which can be further subdivided into two categories, will evolve into two Irish counterfeit halfpence Families.

There are now four known types of British obverse/Irish 1776 reverse mules. For each of these the reverse is also found paired with a known 1776 Irish halfpence variety. There are also 1776 Irish evasions that might be confused with the Irish counterfeits, if the legends are obscured. As a result of this study, a new variety of 1776 Irish evasion has been discovered.

As in the case of the 1783-dated Irish counterfeits, much more work needs to be done to categorizing all the varieties into specific Families. Readers with images and data on 1776-dated Irish halfpence not included in the present study are invited to contact the author at [rogermoore345@yahoo.com](mailto:rogermoore345@yahoo.com).

## Acknowledgements

This paper has been made possible by members of the internet-based Yahoo Colonial-Coin and Non-Regal Research groups as well as members of the Colonial Coin Collectors Club (C-4), who shared their images and data. Bob Bowser, Michael Briggs, Dan Burleson, Paul Cartmill, David Cornell, Edward Foster, Morris Hankins, Jack Howes, Bruce Kesse, Jeff Lipinsky, John Louis, Marc Mayhugh, Sidney Martin, Phil Mossman, Gordon Nichols, David Palmer, Charlie Rohrer, Mike Ringo, Jeff Rock, Clem Schettino, Bruce Smith, Byron Weston, and Vicken Yegaparian, contributed images, information, or commented on earlier versions of the paper. Special thanks go to Jeff Rock and Morris Hankins for input on the 1776 evasions; and to Mike Ringo (†) who had a special place in his heart for the Crude 1776 Irish.

## MONEY IN ENGLAND'S NEW WORLD: VIRGINIA

by

**Philip L. Mossman, MD; Stuarts Draft, VA**  
**with the assistance of Thomas A. Kays and Louis E. Jordan**

In comparison with other English colonies, less has been written about the currency of early Virginia although a few items do stand out in the numismatic literature. First we read in John Oldmixon's 1708 classic, *The British Empire in America*, where his undated exchange table records Spanish-America eight-*reales* of 16 dwt [384 grains] passing for five Virginia shillings.<sup>1</sup> And then 85 years later, we can consult Samuel Sauer's sophisticated Philadelphia exchange table of 1793 where the same "Dollar of Spain," has now grown to 414 grains and passes in Virginia for six shillings in concert with all the former New England colonies as "Lawful Money." In addition, this busy coin is now doing double duty as the new Federal dollar. Just about all the numismatic resources I know leave untold the path by which that sought-after Spanish-America eight-*reales* of early Virginia, together with its companion coins and commodity monies [tobacco, hemp etc.], get from point A to point B with no mention of their adventures in-between. That saga is the thrust of this present study—the evolution of Virginia currency from within the struggling settlement of a Proprietary colony, thence to a Royal/Crown colony and lastly to an established Federal state.

### Introduction

In the 1600s, eighteen successful colonies were founded in the New World under the English flag with territory stretching from Newfoundland in the far north to Barbados southward.<sup>2</sup> By 1650, half the population of British North America lived in the West Indies where the planters, considering all forms of capital, had 25 times the wealth of the mainland colonies.<sup>3</sup> During the next century, another seven settlements were added to the census of England's New World empire.<sup>4</sup> These outposts—although romantically viewed by some as sanctuaries for the religiously and politically oppressed—primarily functioned as investment opportunities sanctioned by London investors to supply the raw material needs of the mother country, which, as a small island nation, had limited natural and agricultural resources.

These colonial adventures in the New World were established under three tenets—a Royal colony (later known as a Crown colony) was founded on lands claimed and administered by the crown; a Proprietary colony, on land ceded to an individual, such as Maryland; and a Charter colony, established under a joint stock venture, such as the Virginia Company, whose original 1607 charter was revoked in 1624 when she was made a Royal colony under direct control of the sovereign with appointed governors and functionaries. Because of the strategic and economic importance of the developing colonies to England, the emerging plantations soon came under the scrutiny of an *ad hoc* committee of the crown's Privy Council, first organized in 1621 under James I to investigate trade matters. This management group evolved into

---

1 In the 1741 second edition of *The British Empire in America*, the same 1708 exchange table is repeated thus minimizing its reference value.

2 Virginia, 1606; Bermuda, 1609; Newfoundland, 1615; Plymouth, 1620; New Hampshire, 1623; Barbados, 1625; Massachusetts Bay, 1629; Connecticut, 1633; Maryland, 1634; Rhode Island, 1636; Jamaica, 1655; the Carolinas, 1663; New York, 1664; New Jersey, 1664; Bahamas, 1666; Hudson's Bay, 1670; Leeward Islands, 1671; and Pennsylvania, 1681.

3 Vickers, *Colonial America*, pp. 172-73, 180.

4 Delaware, 1704; Nova Scotia, 1713; Georgia, 1732; Quebec, 1763; Windward Islands, 1763; British Honduras, 1765; and Prince Edward Island, 1769.



The Lords of Trade and Foreign Plantations, later known as the Board of Trade. In 1675, the Lords of Trade proposed the concept of transforming all American colonies into Royal/Crown Colonies for a tighter control of both trade and local governments by England.<sup>5</sup> Very early in the colonization process, it becomes evident that the key word describing the evolving relationship between England and her American colonies is “control” which translates into “mercantilism” as we shall see as this history unfurls.

But here on the other side of the Atlantic, the individual colonies themselves, although many were separated by relatively short distances, functioned as autonomous governments until the thirteen mainland plantations pooled their resources against their common adversaries during the French and Indian Wars and the turbulent revolutionary period. As an example, significant differences existed between the demographics of early Puritan New England and Anglican Virginia.<sup>6</sup> The former was populated by families clustered within many small towns whose iconic white church tower dominated the central village green. In addition to small farms dotting the countryside, a variety of independent artisans (blacksmiths etc.) plied their trades. Virginia, in contrast, after the initial Jamestown settlement, was peopled by a large population of single young men and indentured convicts living and working on large plantations owned by wealthy, and often absentee, landlords. As early as 1626, independent artisans in the manual trades were reluctant to move to the colony because of the lack of a metallic currency for payment compelling them “after finishing their work to wait for their remuneration until the crop of tobacco for the year had been gathered in and cured.”<sup>7</sup> Slavery was gradually expanded into these locations where the labor-intensive tobacco crop was planted thereby swelling the number of local inhabitants. The south had fewer population centers than the north since many large plantations were positioned along, or near to, the banks of several navigable rivers with easy access to ocean-going vessels facilitating the export of the annual tobacco crop.<sup>8</sup> Because of the immediate access to the ocean from many river ports, few large seaport communities developed. “English and Scottish firms established trading posts on rivers and sent a profusion of goods to the colony in exchange for exportable commodities, particularly naval stores and tobacco.”<sup>9</sup> Ready access to these large “company stores,” found on every navigable stream where the adjacent country was more thickly settled, repressed the growth of towns.<sup>10</sup> Similar to Virginia’s agricultural model, other southern colonies, including Maryland, the Carolinas and the West Indies, provided more of the commodities desired or required in England than did the New England area whose forest and marine resources (i.e., boat building resources) were in much less demand in England. In the mother country, such needs were readily obtainable from Scandinavia. This weaker market in Great Britain for New England goods, encouraged Boston merchants to trade their staple exports in the West Indies in exchange for sugar, rum and molasses which they then exported to England in exchange for much-needed manufactured items, thus setting up a triangular trade route.<sup>11</sup> Since the commodities and raw materials native to New England contained few items essential for English industry or consumer goods preferred by her general public, there was little income earned from her export trade. “The trade of the

5 [http://en.wikipedia.org/wiki/Board\\_of\\_Trade](http://en.wikipedia.org/wiki/Board_of_Trade); see also Hatfield, *Atlantic Virginia*, pp. 191-96.

6 The history of English Puritans and Quakers in Anglican Virginia is interestingly chronicled by Hatfield in her book, *Atlantic Virginia*, chap. 5

7 Bruce, *Economic History*, vol. ii, p. 413. Addressing the shortage of craftsmen to the king’s Privy Council, Governor John Harvey (1628-1639) and his Council state in a letter of March 1631, “Tradesmen are wantinge, especially Shipwrights (sic), Smythes, Carpenters, Tanners, Leatherdressers, Hempdressers, Brickmakers and Bricklayers ....”

8 Voke, “Accounting Methods,” p. 2. The rivers were the James, York, Rappahannock, and Potomac and their tributaries.

9 “Merchant Books,” *passim*.

10 Bruce, *Economic History*, vol. ii, p. 381; McCusker and Menard, *Economy of British America*, p. 131.

11 Bruce, *Economic History*, vol. ii, p. 395; also McCusker and Menard, *Economy of British America*, pp. 93-94.

southern area suited England perfectly: it centered in English ports, and the indebtedness of the [tobacco] planters kept them dependent on English markets, English ships, and English supplies."<sup>12</sup>

Of greater consequence to English commerce, these New World customers were cultivated as markets for their own domestic manufactured goods whose scope was ever-expanding due to the anabolic effects of the Industrial Revolution. England's trade with America grew from about 10% of her total external trade in the 1662 to 1669 period to about one-third of her total oversea business in 1770.<sup>13</sup> Equally as important to England as the encouragement of this overseas clientele was the need to discourage any potentially competitive industries in the colonies, especially those producing finished consumer goods such as wool, linen and shoes, whose commercial export was strictly forbidden. The external business practices of the developing colonies were tightly focused by Parliament under the doctrine of mercantilism, a set of principles, enforced by a succession of Navigation Acts, designed to bolster the business interests and revenue needs of the mother country by consistently stacking the economic deck in the favor of England's monarchy and her merchant classes. As succinctly defined by Nettles,

In the simplest form the trade of English America was an exchange of English manufactures for colonial returns. But since the northern and middle colonies produced only a small quantity of such returns, the central problem of their trade was that of converting raw produce and their crude manufactures into some means of paying for European goods.<sup>14</sup>

It was just as well for England that the tobacco colonies did not have a large supply of money because this obliged them to send their produce to England where they were exchanged directly for English merchandise—the English merchants could make a profit twice—once on selling the imported Chesapeake tobacco in Europe and next by peddling manufactured goods back to the planters.<sup>15</sup>

Thus in brief summary we can see that the various English colonies differed from each other not only in their individual urban versus rural development, endogenous resources, and population characteristics, but also in their economic importance to the mother country. Contrary to what might be expected, little sterling currency followed the settlers to their new lands since the monetary affairs of the mother country remained in chronic disarray due to a vacillating bimetallic standard of gold and silver with the resultant siphoning of metallic silver to the Far East. Even the Tower Mint coinages, mechanically struck in presses after 1663 with raised milled edges to discourage clipping, became victims of bullion speculators who fed the newly minted coins into their hungry crucibles in preparation for a sea voyage to India. The primary metallic currency remaining for domestic circulation in the late-1600s was the old, hammered, holed, bent, and savagely clipped silver money, which was in such disreputable and mutilated condition that a total recall and recoinage was ordered in 1696.<sup>16</sup> Not only was there little available coined English money to supply their overseas colonies should they want to, its exportation was expressively forbidden by statute, a prohibition not applicable to foreign specie. The common way to return payment to the colonies for their exports was by bills of exchange which placed a large sum of available credit with which the Virginia planters could purchase English merchandise without the requirement to entrust precious specie to the whims

<sup>12</sup> Nettles, *Money Supply*, p. 279.

<sup>13</sup> Beer, *Old Colonial System*, vol. i, p. 15.

<sup>14</sup> Nettles, *Money Supply*, p. 47. Returns were defined as those commodities which could be more profitably produced in the colonies than in England and thus should not be shipped to a foreign port, but only to England.

<sup>15</sup> Nettles, *Money Supply*, p. 240.

<sup>16</sup> Feavearyear, *Pound Sterling*, pp. 136-44; also Mossman, *From Crime to Punishment*, pp. 11-12.

of the North Atlantic.<sup>17</sup> Into the 1700s, the condition of England's domestic currency was no better and whatever coined English silver reached the New World did so in the pockets of emigrants or secreted in the coffers of deft smugglers.<sup>18</sup>

To compensate for the lack of hard coin for local business, the individual colonial legislatures utilized the centuries-old practice of enumerating commodities whereby a specific monetary value, denominated in English pounds, shillings and pence, was assigned to a wide variety of agricultural, marine and wood products. For Jamaica and Barbados it was their sugar crop, for Virginia and Maryland, tobacco was king, and for New England it was cured fish and forest products.<sup>19</sup> Thus the designated commodity item assumed a dual function—primarily it fulfilled the comestible or functional requirements of the colonial growers by supplying nourishment etc. and secondarily by its introduction into local commerce as an acceptable article for exchange with an officially designated monetary value. As accommodating as this commodity money might seem, its value was potentially compromised by the need to transport bulky items to market, especially cattle; the expense and inconvenience of storage—again cattle; inconsistent quality; and the ever-present reality of spoilage, especially for agricultural products.<sup>20</sup> “In spite of its many defects, commodity money served the colonies fairly well.” The southern colonies were in a particularly favorable situation because their prime crop, tobacco, was not only their commodity money but was also usable for direct export trade with England.<sup>21</sup>

### Tobacco

Tobacco, Virginia's most significant crop, had several uncontrollable factors influencing its annual yield which then, of course, determined its value as a commodity money and certainly affected the personal income of both large plantation owners as well as small growers who produced the majority of the crop on farms in the range of 200 acres.<sup>22</sup> During periods of abundance there was usually a depression in the price of tobacco, which fell as low as 1d per pound in 1688,<sup>23</sup> while conversely, damage to promising harvests from drought or devastating rains created a scarcity in supply and thus higher market prices. When tobacco was scarce and the price rose, farmers planted more tobacco. This increase in production triggered a reciprocal depression in the market price prompting growers to remove acreage from production. This coordinated decrease in supply again raised the price recreating another boom and bust cycle all over again. Two specific issues inherent in growing tobacco were that it was both a very labor-intensive crop and that it rapidly depleted soil nutrients in three years. The first concern was answered by importing expensive slave labor, while for the second, the grower had the ruination of options of allowing the exhausted acreage to lie fallow, to abandon his fields back to nature, or to improve the soil productivity by introducing different crops such as wheat and hemp.<sup>24</sup>

---

17 Nettles, *Money Supply*, pp. 162-66, 162n. Bills of exchange were written in one original and two copies. To be certain of arrival of other important letters, a merchant, legislator, or private individual might send several copies of the same letter by different routes. These different routes might be by formal post, by courier or friend traveling in that direction, or by a trading ship. Because of that practice, recipients' copies of letters sometimes survive today in duplicate or triplicate, occasionally showing small differences in composition.

18 Chalmers, *British Colonies*, pp. 4-5.

19 McCusker and Menard, *Economy of British America*, pp. 175-76.

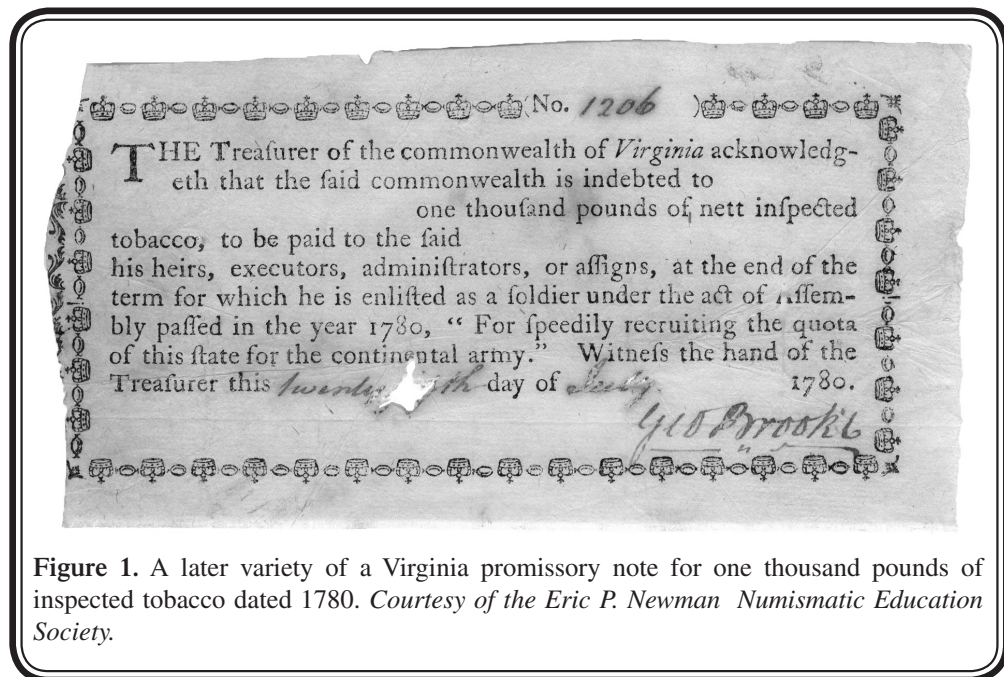
20 Nettles, *Money Supply*, pp. 209-212; Bruce, *Economic History*, vol. ii, pp. 495-96.

21 Nettles, *Money Supply*, p. 222, quote p. 223.

22 “Colonial Tobacco Economy,” p. 5.

23 Salmon and Salmon, “Tobacco in Colonial Virginia.”

24 Bruce, *Economic History*, vol. i, pp. 389-409; George Washington experimented with hemp, alfalfa, buckwheat, corn and flax but replaced his worn-out tobacco fields with wheat as did many other growers (Dalzell and Dalzell, *George Washington's Mount Vernon*, pp. 23-24, 61-62). See also Salmon and



**Figure 1.** A later variety of a Virginia promissory note for one thousand pounds of inspected tobacco dated 1780. *Courtesy of the Eric P. Newman Numismatic Education Society.*

Philip Bruce, in his *Economic History of Virginia in the Seventeenth Century*, wrote that the primary method of exchange in the early days of the colony was by barter since there was little need for metallic currency in the domestic, agrarian economy. The adoption of *Nicotiana tabacum* as the preferred commodity money was encouraged because the local soil and growing conditions were favorable for the cultivation of this fastidious plant which had spawned a high market demand in Europe and for years was the colony's prime export shipped from many self-supporting estates that lined the banks of the navigable rivers. Tobacco soon became the standard of value "not from the preference of the settlers, but by the force of the circumstances which they could not have controlled even if they had wished to." "It was the money in which all the supplies, both domestic and imported, were purchased; in which the tax imposed by the public levy was settled; in which the tithables<sup>25</sup> of the minister, the fees of the attorney and the physician, the debts of the merchant, the remuneration of the free mechanic, the wages of the servant, the charges of the midwife, and the grave-digger were paid."<sup>26</sup>

From the very beginning, the need for quality control of exported tobacco was recognized and inspection procedures were adopted as early as 1619 and strengthened by frequent amendments. Into the 1630s there was more stringent scrutiny of the crop; inferior grades of tobacco were forbidden for sale or acceptance in the payment of debts while "mean" [bad] tobacco was incinerated. Seven government storehouses were built at allocated points in 1633 with assigned inspectors. In 1639, during a glut of tobacco on the market with reduced prices, all the inferior and half the good product were burned. As areas of tobacco production expanded by 1680, more government storehouses were constructed in 20 counties. The Tobacco Inspection Act of 1713, proposed by Governor Alexander Spotswood (1710-1722), provided for more public tobacco warehouses to be erected in strategic locations near waterways for storage of the annual tobacco crop while awaiting export. The tobacco was to be inspected by government officials to be sure that "trash tobacco" was eliminated from the export market. These inspectors would then issue negotiable receipts to the owners of the

Salmon, "Tobacco in Colonial Virginia."

<sup>25</sup> "Tithable" referred to a person who paid one of the taxes imposed by the General Assembly for the support of civil government in the colony. (Library of Virginia, Research Notes Number 17).

<sup>26</sup> Bruce, *Economic History*, vol. ii, quotes p. 496.



inspected and deposited tobacco. The Privy Council<sup>27</sup> disallowed this Act in 1716 because of opposition from conservative London merchants although the public warehouses were still in operation having been authorized by prior legislation.<sup>28</sup> In 1727, tobacco notes were legalized as current money and payable for all tobacco debts within the particular warehouse district wherein they were issued. When the quantity of tobacco, for which a specific note had been issued, was then exported, the relevant note was retired.<sup>29</sup> The warehoused tobacco was the real medium of exchange and the notes were just orders payable to the bearer for the delivery of this money.<sup>30</sup> The measures, which were vetoed in 1716, were reinstated in 1730 when a more comprehensive inspection bill was passed. In 1734, another form of note was introduced which was issued for specifically marked casks of tobacco whose brand was specified on the certificate.<sup>31</sup>

There were two payment systems available to the tobacco planters. Many large plantation owners, hoping to have better control over their crop and achieve higher prices, established direct contact with English and Scottish merchants, but this arrangement provided the participating agents an opportunity to turn a "double profit." First they would retail Virginia tobacco for 10d to 11½d in England for which they paid 1¾d a pound in the colonies and next, these factors sold much-needed manufactured goods and consumer products back to the colony for the personal use of the planters or for resale in their "company stores"<sup>32</sup> at prices usually inflated by 200 to 300%.<sup>33</sup> Wealthy growers became irked by the way they were bled by their overseas tobacco buyers. George Washington fell steadily into debt to his English factor since his annual personal order for fine English merchandise frequently exceeded his income reflecting the extravagant life styles of many of the Virginia landed gentry who often lived beyond their means with many owing significant amounts to merchants on both sides of the Atlantic without any prospect of extracting themselves.<sup>34</sup> Thus in periods of low tobacco prices, growers could become quickly indebted to their overseas business associates who took advantage of every opportunity to profit from the colonial tobacco harvest.<sup>35</sup> Another highly profitable aspect to this commerce for the English merchants was that their ships sailed laden with lucrative cargo in both directions, never being obliged to sail in ballast. Owing to the prohibition against exporting sterling from England, any excess sterling profits could be remitted back to Virginia by bills of exchange to be used for future transactions on which additional profit could be made.

---

27 Privy Council was the monarch's advisory panel that advised him/her on the exercise of royal prerogatives. The Lords of Trade (1675), later The Board of Trade, was a standing committee of the Privy Council that handled matters relating to the trade and administration of their Atlantic colonies (Hatfield, *Atlantic Virginia*, p. 192).

28 Herndon, "Tobacco in Colonial Virginia," pp.16-19.

29 Hooper, *Numismatist* 1953, p. 1149.

30 Nettles, *Money Supply*, p. 214.

31 White, *Money and Banking*, pp. 5-6.

32 Dalzell and Dalzell, *George Washington's Mount Vernon*, pp. 23-24, 61-62. George Washington, with his five plantations, had sufficient business that he transacted directly with his English agent, Robert Cary & Co., in anticipation of higher profits by eliminating the middle-man.

33 Nettles, *Money Supply*, p. 56.

34 Nettles, *Money Supply*, p. 57.

35 Ragsdale, "Washington and the Tobacco Trade," *passim*.



Table I: Commodity Value of Tobacco in Virginia

Common goods and services	Value in pounds of tobacco	Value in Virginia money of account at one lb. tobacco valued at 2d*
Day's labor	20-30	3s 4d to 5s 0d
Bushel of beans	40	6s 8d
Pound of sugar	8	1s 4d
Funeral sermon	300-450	£2 10s to £3 15s
Bushel of corn	125	£1 0s 10d
Pair of shoes	50	8s 4d
Horse	1500	£12 10s

\* This price of 2d per pound was subject to change due to market conditions. In 1630 it was less than 1d. From 1727 to 1732 it was driven as high as 10d, from 1766 to 1767 up to 4s, and from 1786 to 1789 up to 19d.<sup>36</sup>

To sell their tobacco, the smaller producers usually employed locally-based intermediaries, or factors, many of who were colonial-based brokers representing large English or Scottish wholesalers. In contrast to their more wealthy colleagues, this less affluent middle class faction was seldom in debt.<sup>37</sup> Private citizens who possessed stores of tobacco, either what they grew themselves or received as commodity money for wages or other transactions, could deposit their holdings at the described warehouses in exchange for negotiable notes which were current money within the local warehouse district. Tobacco notes were simply endorsed again and again to new owners to settle large debts. This tobacco was also sold or bartered to local merchants who then exported it overseas. The commodity value of tobacco, expressed in pounds, shillings and pence in Virginia money of account, was dependent on the seasonal price received for the tobacco crop exported yearly to England and sold at the best possible terms. These annual profits were convertible into bulk merchandise and manufactured goods that were returned to the colony and made available to the plantation owners and the locals at temporary, dockside landings open for business when the sails of coastal sloops were furled, and at large plantation stores and warehouses, either through barter or using tobacco as a commodity money denominated in Virginia money of account. "These trading posts were the first 'retail stores' in America."<sup>38</sup> Since the local population generally spent their entire lives within twenty miles of their homes, they patronized the same neighborhood plantation stores who kept ledger accounts of their credits and debits in commodity money with little need for the exchange of coined money (Table I) "The store was one of the principal institutions in Virginia, whether the property of a foreign or a native merchant."<sup>39</sup> Bruce described in detail the functioning of plantation stores which were soon found on every navigable stream which formed "the principal highways of each community." Typical inventories included fabrics, finished clothing, ladies apparel, kitchen wares, tools, nails, farm equipment, wine, etc. Also, the presence of many navigable rivers and tributaries took the place of the frequent large seaports common in the northern and middle colonies.<sup>40</sup>

In early Virginia, the hogshead of tobacco deposited and stored in warehouses was the equivalent to "money in the bank" with tobacco notes being negotiable receipts. Considering that most people lived near and worked in support of large plantations where their necessities

36 Herndon, "Tobacco in Colonial Virginia," pp. 29-31; Hemphill, *English Commercial System*, p. 105.

37 Ragsdale, "Washington and the Tobacco Trade," p. 151.

38 *William and Mary College Quarterly Historical Magazine*, vol. 8, no. 2, Oct. 1899.

39 Bruce described in detail the functioning of six such stores recounting their individual lines of merchandise purchased from tobacco receipts (*Economic History*, vol. ii, pp. 381-86).

40 Bruce, *Economic History*, vol. ii, pp. 378-85.

were bought in the “company store,” their recurring store invoices could be settled in [1] pounds of tobacco denominated in Virginia money; [2] by submitting warehouse receipts from their deposited tobacco; [3] by adding to their running credit/debit balances recorded in the store’s ledger; [4] or in rare instances by coined money, such as to pay fines and certain fees. However, there was still an unmet need for small copper change for minor purchases, and despite repeated petitions for the same, their English overlords turned a deaf ear for this request until 1774 (*vide infra*).

The debit/credit system in the latter half of the eighteenth-century is well illustrated in the collected financial papers of George Washington, a leading member of the Virginia landed aristocracy, who owned five plantations and maintained detailed private and business accounts. In his Mount Vernon ledger account from 1750 to 1762, his alphabetical index registers 379 “customers,” presumably employees or people with whom he traded. The specifics of their transactions are recorded on 347 double page entries with records of their expenditures owed to Washington on one side and his receipts from these debtors on the other. These accounts were balanced in either hard cash (with no indication as to the varieties of coins received or dispensed) or in various commodity items rated in Virginia money of account. On seven other double pages he listed the hogsheads of tobacco exports being made ready for shipment to his English intermediary, Robert Cary & Co. In other ledgers, he conducted a personal inventory of the coins (cash) he had in stock (*vide infra*).<sup>41</sup>

### Crying-up of Money

As trade between the coastal North American and the West Indies colonies developed, Spanish-American silver coins began to edge northward; especially well received were full weight (420 grains or 17½ dwt) eight-*reales*, whose sterling value in England was fixed at 54d (4s 6d) according to their assayed content of 5s 2d per troy ounce (480 grains) or 2¼d per dwt (24 grains).<sup>42</sup> Because of the reliable intrinsic silver content of issues from Mexico City and several other Central and South American mints, excluding scandal-plagued, Potosí (known as “Peruvians” and identifiable from their design and P mintmark), the piece-of-eight became the world’s accepted silver standard.<sup>43</sup> Inspection of Table II would suggest that Spanish-American silver was entering the British West Indies by the early 1650s and that provisions were made for the debased Potosí currency by the 1670s. We can assume these dates would be applicable for Virginia commerce since formal and informal trade patterns were well established by then. The legislatures of the various colonies rated eight-*reales* within their own monies of account at a value determined by the strength of their individual economies. Before the mid-1600s, these standard pieces-of-eight were generally valued by most colonies between four and five shillings although many had been ravaged by clipping shears. It was the influx of this silver of uncertain value into Boston from their West Indies trade that led to the establishment of the Massachusetts Mint in 1652 where it was reworked into the famous “Pine Tree” coinages. In Jamaica, as clipping became rampant it caused “this current money [to grow] daily lighter,” with the effect that “the bad currency drove away the good currency.” The heavy pieces-of-eight, treated as a commodity, were reserved for the foreign trade leaving the “light money in which they paid their debts.”<sup>44</sup> By the 1690s, when silver of known fineness started to pass by weight, more as a commodity than as a coin, colonial legislatures increased its value in terms of local monies of account in order to attract sought-after specie into their own jurisdictions

41 *George Washington’s Financial Papers*: Series 5: Financial Papers. 1750-1796.

42 This silver standard of 62.0d per troy oz had been stable since the reign of Queen Elizabeth I; these values were used in the Proclamation of 1704.

43 Mossman, *CNL* 2008, pp. 3289-3309.

44 Chalmers, *British Colonies*, p. 7. This is a classic expression of Gresham’s Law.



**Figure 2.** A debased Potosí eight-*reales* of the assayer Juan Ximénez de Tapia who worked intermittently from 1618 to 1647. The top arrow points to the P mintmark which is above his assayer's mark, T, the lower arrow. The quality of his work is described as relatively crude; his coins were devalued to six reales after the discovery of the scandal. This coin is from the Porto Bello Hoard. Menzel, *Cobs, Pieces of Eight and Treasure Coins*, pp. 277-82, 298. *Courtesy of Thomas A. Kays.*



**Figure 3.** Following the exposure of the scandal, the reverse design of Potosí coins was changed from the Habsburg arms to the pillars and waves motif with the central inscription, PLUS ULTRA, divided as PLV SVL TRA. This change was to identify the new coins from the mint adhering to the .9305 fine standard. This example was minted in 1690; the assayer was Pedro de Villar (1679-1697) whose mark, VR, appears in the left lower and right upper corners balanced by the mintmark, P, in the upper left and lower right. The abbreviated date 90 appears on the lower obverse and below the SVL on the reverse. His work has been described as good to excellent. This typical coin is catalogued as Po-312 by Menzel (p. 333). *Courtesy of Thomas A. Kays.*

where its buying power was greater, that is, until prices rose to meet the new standard.<sup>45</sup> In Virginia, the question of the specific weight for any foreign coin was never officially addressed and none was legally prescribed; it was the prerogative of "private persons to reject it on the grounds that it [the coin] was so light that it could not be of good silver, or if of good silver, had

<sup>45</sup> The traditional interpretation of this monetary practice by Rice Vaughn is, "For say they, If we do observe those States which do soonest and most raise their Money, we shall find that they do most abound with Money; and that Trader and Manufacturer do most flourish there." Chalmers, *British Colonies*, p. 7n.

been clipped."<sup>46</sup> But then again, the refusal to accept "good" silver was subject to a 20 shilling penalty but with no defined parameters.<sup>47</sup> Ernst advanced the theory that this devaluation or the "crying up of monies" was in fact a measure to control "the external drain of coin which resulted because of the chronically adverse balance of payments in the trade between the colonies and the mother country whenever the prices of colonial exports were depressed or English credits for colonial economic development fell short of the expanding needs in America."<sup>48</sup> While currency inflationists advocated raising the value of silver within their jurisdiction to encourage its importation, or discourage its export, such a policy disrupted debtor-creditor relations since now there was a cheaper currency for the payment of debts.<sup>49</sup> Obviously, the "crying up of monies" was not positioned to satisfy everyone's hopes and desires.

The devaluation, or "crying-up of money," began in England's mainland colonies on June 14, 1642, when Massachusetts Bay, facing a severe economic depression and balance-of-payment crisis, sought to increase their domestic coin supply by raising the value of the Spanish-American eight-*reales* from the English standard of 54d to 56d.<sup>50</sup> This increase was immediately followed by a second advance to 60d on September 27 of the same year, no doubt to entice more silver into their region.<sup>51</sup> For a third time, the value of a full weight 17½ dwt eight-*reales* in New England was legislatively augmented to 72d (6s) in 1697 but another difference was added. This 33.3% advance in value to six shillings was in addition to a 12½ grain reduction in the Massachusetts legal weight of the coin to accommodate for the almost universal clipping of these cobs from 17½ dwt to 17 dwt thus making 408 grains the negotiable standard.<sup>52</sup> Further inflationary changes were recorded in Massachusetts in 1705 when eight-*reales* weighing from 13 to 15 dwt began to customarily pass in the market place at their legislated 72d value. If 13, 14 and 15 dwt eight-*reales* all pass at 72d, then the relative values of silver per dwt for each weight respectively are 5.5d, 5.14d, and 4.8d. This of course meant that any coins over 13 dwt would be promptly clipped down to the minimum legal weight or exported for foreign purchases. This was not just a local experience since in South Carolina in 1691, the standard weight of the eight-*reales* was further reduced to 13 dwt with coins of that weight, or greater, valued at 60d; those less than 13 dwt were to pass at 48d. In Pennsylvania in 1698, the standard market place weight for the Spanish-American dollar was 15 dwt.<sup>53</sup> In 1703, Jamaica negotiated lesser weight coins on a sliding scale ranging from 13½ dwt, which passed within the local trade at 5s 0d money of account, those of 16 dwt at 5s 6d, while the full weight of 17½ dwt coins, valued at 6s 6d, which were reserved for the foreign export market where clipped coins were unacceptable.<sup>54</sup> (See Table II) Of course, a reliable coin scale and an accurate sets of weights was a key requirement in all transactions. The colonies were chronically in competition with each other by enacting laws designed to attract and hold as much valuable coin as possible within their particular jurisdiction by raising its local value.

---

46 Bruce, *Economic History*, quote p. 510.

47 Hening, *Laws of Virginia*, vol. i, act cxxx, March 1657-58, p. 493; reconfirmed vol. ii, act cxvi, March 1661/2, p. 125.

48 Ernst, *Money and Politics*, p. 14.

49 Nettles, *Money Supply*, pp. 233-34.

50 These economic problems were the result of a cessation of immigrants arriving from England who added their personal wealth to the currency pool while others returned home after the English Civil War.

51 McCusker, *Money and Exchange*, p. 132.

52 "Clipping by the subject was the counterpart of the debasement of coins by the sovereign" (Chalmers, *British Colonies*, p. 8).

53 Nettles, *Money Supply*, pp. 240n-41n, 243n.

54 Chalmers, *British Colonies*, pp. 9, 99. The relative silver values for the 13½ dwt, 16 dwt, and 17½ dwt coins calculates to 4.4d, 4.125d, and 4.46d, respectively, per dwt [24 grains]. While not a perfect ratio, it was certainly more equitable. A greater relative value for the lightest dollars would keep them in circulation and discourage more clipping or melting.

"Neighboring colonies regularly retaliated by passing similar laws, which tended to draw to them the newly liberated coin from the colony that started it all."<sup>55</sup>

**Table II: Early ratings of the Spanish-American eight-*reales* in the West Indies; rates from Massachusetts and England are listed for comparison.<sup>56</sup>**

Location	Date	Coin	Rate	dwt	d/dwt	Comments
Barbados	early	8/8	4s	clipped		As in Jamaica, silver was abundant.
	1651	8/8	6s			Par £133.33 with sterling
	1662	8/8	4s 8d			
Leeward Islands	1668	8/8	5s	17	3.5d	Par £111.11 with sterling
	1670	8/8	6s			Par £133.33 with sterling
	"	Peru	5s			
	1691	8/8	4s 4½d	17½	3.0d	Severely clipped coins = 3s 6d to 4s.
	1694	8/8	6s			
	"	<b>Peru</b>	<b>5s</b>			
	1699	8/8	7s	17	4.9d	Rated by weight
	"	8/8	6s 6d	15-17	4.6d-5.2d	Rated by weight
	"	8/8	6s	↓ 15	4.8d	Rated by weight
	"	<b>Peru</b>	<b>5s</b>	-		Cross and Lion dollars same as Peru, all without weighing
	"	crown	7s 6d	19¼	4.67d	Sterling 50% debased: 90÷60=150%
Jamaica	1655	8/8	4s			One- <i>real</i> = "Spanish sixpence"
	1671	8/8	5s			March 1671
	1671	8/8	4s 6d			December 1671
	1681	<b>Peru</b>	4s			
	1703	8/8	5s	13½	4.4d	
	1703	8/8	5s 6d	↑16	4.125d	
	1703	8/8	6s 6d	17½	4.46d	
Bermuda	1653	8/8	4s			
	1658	8/8	5s	17½	3.4d	
	1668	8/8	5s 4d	17	4.2d	
Massachusetts	1642	8/8	5s	13-15	4.8- 5.5d	Par £111.11 with sterling
	1697	8/8	6s	17½	3.1d	Par £133.33 with sterling
	1705	8/8	6s			
England		8/8	4s 6d			Standard for comparison

<sup>55</sup> McCusker, *Money and Exchange*, p. 118.

<sup>56</sup> Under the coin column, 8/8 is the abbreviation for the standard "piece-of-eight" and Peru indicates debased coins from the Potosí mint. The rate is the assigned value in the particular colony's money of account. The weights in pennyweights [24 grains], when known, are listed in the dwt column. The next column, d/dwt, is the value of the coin in local pence per pennyweight. The sterling standard for the value of silver in the eight-*reales* is 3.1d per dwt. Any value greater than that infers debasement. Comments are recorded when applicable. Data from Chalmers, *British Colonies*, pp. 6, 48-49, 64, 99, 152-54.



The preceding paragraphs have been a brief summary concerning the introduction of specie in the local monies of account within the developing economies of England's North American colonies up to the beginning of the eighteenth century. Our attention will now shift to the currency of Virginia where, in March 1631/32, the House of Burgesses petitioned the Privy Council for a 25% debasement of their coinage<sup>57</sup> but, unfortunately, their current base rate, whether it be 54d or 60d,<sup>58</sup> was never specified in their request. It was also unclear as to how much, if any, Spanish-American silver had arrived in Virginia by that date. If the petition involved full-weight pieces-of-eight passing at 4s 6d, then a 25% increase would translate into 3.9d per dwt or 5s 7½d by tale. If the "current coyne" was passing at the "popular rating" of 5s (60d) then a 25% increase for a 420 [standard] grain eight-*reales* would equal 6s 3d by tale or 4.3d per dwt. Obviously either option must have sounded unreasonable to the Privy Council who solved the problem by never responding to the appeal, yea or nay.<sup>59</sup>

From 1631/32 to 1645, nothing was recorded about the status or the nature of the circulating coinage in Virginia. The fact of the 1631/32 petition itself showed their need "to increase the medium of exchange that served the local markets" and the hope that depreciated coins would remain within their circulating currency; hopefully the appeal for a 25% "crying-up" would also "attract a bit more from outside the colony."<sup>60</sup> The Burgesses, having heard nothing from London about their 1631/32 petition, acted to pass legislation 13 years later in November 1645 rating the piece-of-eight at 72d, or a 33.3% debasement, with lesser denominations in proportion.<sup>61</sup> (This Virginian depreciation scheme seems to mimic the action of the Massachusetts Bay Colony in 1642 which was calculated to entice more coin into their area.) Bruce wrote that this new rate of 72d was an arbitrary decision prompted by the Assembly's "anxiety to promote the influx of Spanish money, which appears at this time to have been flowing in in small quantities." In the event that the increase of Spanish-American silver to 72d was a failure to attract more silver and what little they had might further be "drained away," the legislation also provided for a local mint to strike £8,750 [sterling] in small change coppers denominated in 2d, 3d, 6d and 9d pieces, a proposition that never materialized.<sup>62</sup> Louis Jordan opined that silver cobs did not pour into the colony at this advanced rate of 72d because Virginia in those years had nothing to sell except tobacco which continued to remain the standard of local exchange. Without a diverse economy offering variety of desirable products, Virginia was unable to entice merchants and consumers to bring silver into their colony.<sup>63</sup> When, after the ten-year ploy at 72d to attract silver was deemed a failure, new legislation passed in 1654/55 reset the rate at 5s [60d or 111:00] and employed a different tactic in the hope of drawing in silver. The new law allowed for silver of any description to circulate with the specific language stating that "...all peeces of eight of what mettle [i.e. metal] soever shall pass current and lawfull at five shillings per peece ... and if any person or persons shall refuse any peece or peeces ... the said person or persons shall be liable to censure...."<sup>64</sup> The fundamental purpose of this law was to guarantee sufficient circulating coinage in the colony to pay the wages of skilled workmen whom they strove to

57 *Journals of the House of Burgesses*, 1619-1659, p. 56.

58 The generally accepted value in the colonies of the eight-*reales* in the 1600s was either the English standard of 54d or 60d due to its resemblance to the English crown (Chalmers, *British Colonies*, p. 6, 6n).

59 Hemphill, *English Commercial System*, p. 106.

60 McCusker, *Money and Exchange*, p. 205.

61 Hening, *Laws of Virginia*, vol. i, act xx, Nov. 1645, p. 308; Hemphill, *English Commercial System*, p. 106.

62 Bruce, *Economic History*, vol. ii, p. 502.

63 Jordan, "Coinage in the English Colonies," p. 243.

64 Hening, *Laws of Virginia*, vol. i, act iv, March 1654/55, pp. 410-11. Note these proceedings were erroneously published in the records out of sequence. The 1645 rate of 6s was designed to attract good silver of any description into their coin-starved jurisdiction, but when that strategem proved fruitless in attracting good silver at 6s, then perhaps the thinking probably was that a return to the former 5s rate in 1654/55 would be more effective.



encourage to set up shop in Virginia. The elemental composition of these proposed pieces-of-eight didn't seem to matter to the Burgesses, as long as they were round and metallic. This law seems to have backfired since the "what mettle soever" to pay their wages yielded only "so many counters instead of sterling money for the sweat of their brows." Bruce concluded that this new regulation attracted into circulation a "quantity of spurious coin" not only for the workmen but everyone else.<sup>65</sup> It did not take long before the above mistake was rectified since during the 1655-1656 legislative session, the House of Burgesses recognized their ill-fated measure and a replacement bill determined that "no false money shall be current in the collony [sic], yet peeces [sic] of eight that are good and of silver shall pass for five shillings sterling."<sup>66</sup> We have to assume that the demonetized "false money" referred to were the enigmatic "counters" whose identity is still a mystery. One might be tempted to think they were hoping that "Peru, pieces of eight" would be attracted but evidence is lacking that they had entered Virginia as early as the mid-1650s. But it is safe to assume that the "peeces [sic] of eight that are good and of silver" referred to the eight-*reales* of Mexican origin that had entered from the West Indies.

As a further measure to keep specie circulating within Virginia, another act was passed in 1657 stating that no more than forty shillings in coin, measured in Virginia money of account, could be exported from the colony subject to a fine of double the value. It was again pronounced "that noe [sic] false money shall pass for currant in this countrey [sic]" and reiterated that good, silver pieces of eight were valued at five shillings. That last provision of the act was reinforced by the edict that any who refused to accept good silver pieces-of-eight could be subject to a penalty of twenty shillings.<sup>67</sup> The recurrent problems with the several acts regulating the value of the Spanish-American eight-*reales* was that a legal weight was never prescribed and no legitimacy was given to any other foreign coins except for their value as bullion.<sup>68</sup> Bruce made the observation that whatever hard coin was to be found in Virginia in the 1660s was probably in the possession of well-connected colonial officials who were able to obtain sterling currency from payments made by merchants and ship captains. To further call attention to the shortage of circulating money, Bruce reviewed court records of estates of decedents of that era where only a few shillings in coin were inventoried. Into the 1680s, some "New England money" [i.e. Pine Tree shillings] was to be found circulating at the value of one shilling, Virginia money, together with the occasional English, French, and Spanish, silver.<sup>69</sup>

It is interesting to note that Virginia stands in distinct contrast to the New England colonies regarding the spreading of market information of local interest. In New England, questions of money value, exchange rates, the appearance of counterfeits, etc. would be quickly disseminated in the local press. Whereas the first local newspaper in Boston was created in 1704, Virginia did not have one until 1736 when the "government sponsored" *Virginia Gazette* was organized which lasted until 1780. A single competitor was operational from 1766 until 1776, while a third Virginia newspaper functioned from 1775 to 1780. In Massachusetts, there were nine active newspapers before the first one even appeared in Virginia and five more before the second one in 1766.<sup>70</sup> This negative attitude in Virginia toward the press may have been a perpetuation

65 Bruce, *Economic History*, vol. ii, pp. 503-5. The contemporaneous sources never identify what is meant by "counters." That description seems to exclude debased Peruvian silver which circulated at a lower rate.

66 Hening, *Laws of Virginia*, vol. i, act iv, March 1655/56, p. 397. The same bill determined that Indian wampum would maintain its usual value but failed to say what that was. This section may have been put in the law to verify that genuine wampum was not to be confused with the discredited counters.

67 Hening, *Laws of Virginia*, vol. i, act cxxx, March 1657/58, p. 493. This act was reconfirmed by vol. ii, act cxvi, March 1661/62, p. 125.

68 Hemphill, *English Commercial System*, pp. 107-8.

69 Bruce, *Economic History*, vol. ii, pp. 507, 514-15, 515n.

70 See [http://en.wikipedia.org/wiki/List\\_of\\_newspapers\\_in\\_Massachusetts\\_in\\_the\\_18th\\_century](http://en.wikipedia.org/wiki/List_of_newspapers_in_Massachusetts_in_the_18th_century) Eleven more Massachusetts newspapers were started in the 1770s leading up to the Revolution with a spate

of the mind-set promulgated by Governor William Berkeley (1642-1652 and 1660-1677) who is credited with this 1670 statement: "But I thank God, there are *no free schools nor printing*, [in Virginia] and I hope we shall not have these for a hundred years; for *learning* has brought disobedience, and heresy, and sects into the world, and *printing* has divulged them, and libels against the best government. God keep us from both!"<sup>71</sup> Some of his wishes were granted because Virginia's government after the restoration of the Stuart monarchy (1660) remained an oligarchy with suffrage limited to freeholders. This political coalition perpetuated control by the governor and large landowners who opposed popular education.<sup>72</sup> The successor to Berkeley's throne was none other than the authoritarian Governor Thomas Culpeper (1677-1683) about whom we shall hear more.

The continued shortage of circulating coin drew the attention of the English historian, John Oldmixon, who wrote, "The Scarcity of Money is such in this Plantation, that Gentlemen can hardly get enough for Travelling Charges, or to pay Labourers and Tradesmens wages."<sup>73</sup> Within the colony, when coined money was unavailable for some transaction or another, one could have relied on tobacco as an acceptable commodity currency – but there was one major obstacle to this convenience, it would not have been negotiable outside of Virginia! So the only benefit that tobacco provided for this "traveling gentleman" was to fill his pipe! Oldmixon reproduced an identical, undated exchange table in both the 1708 and 1741 editions of his book which reduces its value to numismatists and historians.<sup>74</sup> (Table III) Considering the eight denominations listed, the *terminus post quem* for the table can be most reliably derived from the Dutch Lion Dollars whose arrival on the Atlantic coast John Kleeberg dates to the 1690s with its earliest report in New York in 1693, in South Carolina in 1695 and in Virginia in 1697.<sup>75</sup> The other coins in Oldmixon's table had been well known in this hemisphere and obviously the Peruvian pieces-of-eight had already made their debut in the colony by that time but their earliest occurrence is still unknown.

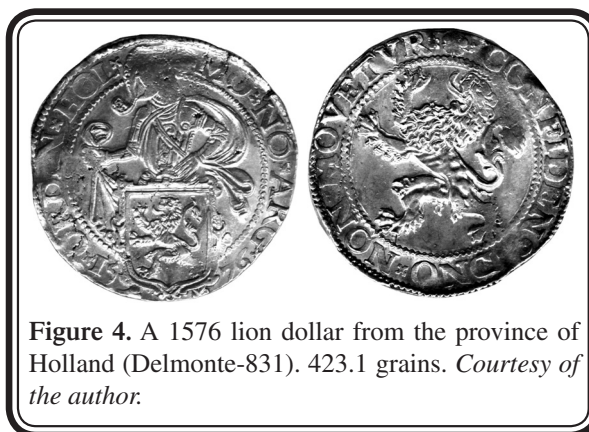


Figure 4. A 1576 lion dollar from the province of Holland (Delmonte-831). 423.1 grains. *Courtesy of the author.*

Concerning Lion Dollars in Virginia, a 1697 grievance from citizens of Accomack County, submitted to the Assembly, confirmed that "Lyon or Dog Dollars (sic)" circulated in their area and requested that "a Law may pass to ascertain (sic) at what value the said Dollers (sic) may

(103) of new publications appearing in the post-war years until 1800. Only a few of these journals were continuously printed.

71 Hening, *Laws of Virginia*, vol. ii, p. 517.

72 Beer, *The Old Colonial System*, vol. i, pp. 134-37.

73 Oldmixon, *British Empire*, vol. i, p. 315. This dearth of coined money to support independent artisans within the colony has already been noted. Of interest, at the same time [1654] in the Massachusetts Bay Colony, a similar measure was adopted where it was forbidden for an individual to export more than 20 shillings in Massachusetts silver for traveling expenses (Felt, *Mass. Currency*, pp. 35-36).

74 The information in Oldmixon's chapter of Virginia was supplied by an unidentified "Gentleman of the Province" but "in some places, he was forc'd to leave him, to follow other Guides" (*British Empire*, p. x [1708 edition]). As an author, Oldmixon was highly criticized in Moulton's *The Library of Literary Criticism*, vol. iii, pp. 124-25.

75 Kleeberg, "Circulation of *Leeuwendaalders*," p. 4047.

pass currently from man to man, for ye better advancement of Trade & Commerce.”<sup>76</sup> Hening does not record any action by the House of Burgesses on this request to supply either the value or weight of Lion Dollars so apparently the numbers recorded in Oldmixon’s table was either set in the marketplace or by official decree. This table is the only source of the 16 dwt value given for the other pieces-of-eight since all the legislative actions recorded in Hening’s thirteen volumes state only the current value of eight-*reales*, be it 5s, 6s etc, but never any indication of its officially recognized weight. It is also unclear whether or not the reduced weight of 16 dwt reported informally by Oldmixon extended also to the “Peru Pieces of Eight.” Bruce, quoting from the contemporaneous pamphlet, *Present State of Virginia*, 1697, also noted that no official weight for Spanish-American eight-*reales* was ever prescribed and consequently private citizens would reject light coins for either being of base silver or clipped genuine coins. “From this fact, it is to be inferred that the intrinsic worth of the piece of eight was generally not considered equal to five [Virginia] shillings.”<sup>77</sup> The eight-*reales* coin during this period was the “cob” which was easily clipped since milled issues with a protective edge did not start to appear from the Mexico City mint until 1732. It was John Hemphill’s view that local customs had established 16 dwt as the acceptable weight for pieces-of-eight passing at the prescribed five shillings.<sup>78</sup>

**Table III: Table from Oldmixon, *British Empire*, vol. i, p. 315, on the Current Value of Foreign Coins in Virginia, probably compiled after 1655, but before 1708.**

The Spanish Double Doublon ( <i>sic</i> )	£3 10s 0d
The Doublon ( <i>sic</i> ), consequently,	£1 15s 0d
The <i>Pistole</i> ,	17s 6d
<i>Arabian</i> Chequins,	10s 0d
Pieces of Eight, (except of Peru,)	
weighing 16 penny Weight,	5s 0d
French Crowns,	5s 0d
<i>Peru</i> Pieces of Eight, and Dutch Dollars, (a)	4s 0d
And all <i>English</i> Coin as it goes in England (b)	

(a) See discussion below.

(b) This would infer that any English halfpence would pass at 24 to the shilling.

Both the “Peru Pieces of Eight, and Dutch Dollars” mentioned in Oldmixon’s table raise significant unanswered questions. The fact that the “Peru Pieces of Eight” were valued separately from the “Pieces of Eight weighing 16 penny Weight” showed that [1] these debased issues were well recognized as such; [2] that they should pass as a lower rate; and [3] there was every reason to suspect that they too were clipped down to 16 dwt. However, Oldmixon’s table does not go into any detail about “Peru Pieces of Eight,” which was a coinage debased in an ongoing conspiracy engineered by a cabal of official assayers, government officials, and local silver merchants serving the royal Potosí mint the mountainous Viceroyalty of Peru. Although this covert scheme for self-enrichment was functioning as early as 1614, its major impact was in 76 Palmer, *Calendar of State Papers*, vol. i, p. 145. It has been long speculated that the large presence of Lion Dollars in the southern colonies was due to active Dutch smuggling (Bruce, *Economic History*, p. 513). Even though there were strong amicable trade ties between the Dutch and Virginia during the second half of the seventeenth-century (Hatfield, *Atlantic Virginia*, pp. 49-51), Kleeberg (“Circulation of *Leeuwendaalders*,” pp. 4032, 4042-44, 4047) presents compelling literary evidence that Lion Dollars arrived on our shores in the 1690s from the North American trade in the Indian Ocean: the Madagascar Trade. These new data quell any quixotic fantasies about pirates and smugglers.

<sup>77</sup> Bruce, *Economic History*, vol. ii, pp. 510-11.

<sup>78</sup> Hemphill, *English Commercial System*, p. 117.

the 1640 to 1648 period when typical coinage leaving the mint could weigh as low as 382.7 grains (15.9 dwt), down from an authorized 423.9 grains, and struck in silver as low as 0.500 fine, down from 0.93055! Although reports of fraud and malfeasance at the mint had been known to officials in Spain and Lima for 30 years, no corrective action was begun until 1649 when the personal envoy of Philip IV corrected the situation with the resultant conviction of 42 mint officials and 38 ancillary personnel—public officials, silver merchants, etc.<sup>79</sup> Following the exposure of this scandal, the reverse design of Potosí silver was changed in 1653 from the Habsburg coat of arms to the “pillar and waves” motif to identify coins that were now adhering to the correct standard.<sup>80</sup> (See Fig. 3) The question is raised, when reference is made in the literature to “pillar dollars” after the scandal was exposed, which pillar dollar is meant, the redesigned Potosí silver of .9305 fine after 1652 or perhaps the pillar coins from early Mexico City (1536-1572), Santo Domingo (1536-1634) or Lima (1568-1572)?<sup>81</sup> Silver minted at the Lima Mint from 1684 to 1752 also had a reverse design similar to Potosí except for small differences in the wave details.<sup>82</sup>

But there was more to the story than that. Much of the debased silver had already been sent to Spain over the years and thence had entered the coffers of her trading partners, especially the Spanish Netherlands and Genoa, threatening an economic catastrophe with Spain's allies. In Florence, all minted Spanish silver was banned except at bullion value. Great quantities had also entered England and Ireland where an assay revealed a 52% fraud.<sup>83</sup> Mexico forbade “Peruvians” in their commerce and Spanish merchants dealing in South America refused to accept Peruvian money. Eight-*reales* minted between 1626 and 1652 were either melted down or devalued by either 6¼% or 50% depending on the assayer as identified by his mark.<sup>84</sup> An assay of Potosí silver conducted at the Madrid Mint on September 16, 1650, found that the silver content of a total of 2,952 *reales* (probably four- and eight-*reales* coins from context) was only sufficient to mint 2,203 *reales* of authorized silver content, thus verifying an average deficiency for this sample of 25.4% or 0.6944 fine.<sup>85</sup> Using this value of 25.4% as a mean upper level benchmark, one could estimate that a generic 16 dwt Potosí eight-*reales*, such as Oldmixon described, would only be worth only 3s 8¾d [44.75d Virginia money] rather than 4s 0d [48d], or 6.8% less than allowed.

Concerning the Lion Dollars, these Dutch trade coins of 48-*stivers* were struck by all seven provinces and five cities of the United Netherlands from 1575 until 1713 in 75% silver at a mint weight of 427.16 grains silver but without milled edges thus permitting undetectable clipping.<sup>86</sup>

79 Menzel, *Cobs*, pp. 269-98.

80 Menzel, *Cobs*, pp. 18-23, 183, 316-65.

81 Chalmers, *British Colonies*, (pp. 48, 49, 64, 65, 98, 99) makes reference to “ye pillar pieces” in both 1662 and 1668 laws passed in Barbados, in 1670 in the Leeward Islands, and to events in Jamaica of 1671 and 1681. He amplifies this further (p. 391) by stating “the distinction is not uniformly clear” and concludes that “pillar pieces” appears to have been the name for all *round* coins struck in America, and bearing the characteristic pillars, even when the legend was ‘Potosí el Peru,’ as on Peruvian coins (e.g.) on 1652 and 1691

82 Menzel, *Cobs*, p. 200. On Lima cobs after 1684, the reverse waves under the pillars dip down in the center whereas on the Potosí cobs, the central waves turn upward. This is in addition to different mint marks, L versus P.

83 Simon, *Irish Coins*, p. 49.

84 Menzel, *Cobs*, pp. 297-98.

85 Jovel and Jovel, “*Gran Escándalo*,” p. 7. «Al tener en cuenta que en un ensayo de monedas potosinas febles realizado en la Casa de Moneda de Madrid el 26 de septiembre de 1650, los 2,952 Reales de dicha moneda quedaron reducidos a solamente 2,203 Reales de moneda legal, puede afirmarse que la ley o fineza de la plata en la moneda hecha en Potosí era un 25.4% inferior a la norma vigente en aquella época.» See [http://www.segoviamint.org/espanol/articulos/efectos\\_moneda\\_potosina\\_en\\_Espana.html](http://www.segoviamint.org/espanol/articulos/efectos_moneda_potosina_en_Espana.html).

86 Mossman, *Money*, p. 65.



(I have never seen a contemporaneous report describing clipped Lion Dollars that suggests these weak silver coins were not seriously victimized by bullion speculators as were cob eight-*reales* whose lack of defined edges made them easy targets for a pair of shears.<sup>87</sup>) The relative worth of a full weight Lion Dollar, when compared to a standard 16 dwt eight-*reales*, would be 53.8d, Virginia money, significantly more than the allotted 48d. (For a circulating Lion Dollar of 17.3 dwt as described in footnote 87, the comparable Virginia value would be 52.3d.) In New York, in November 1709, bills of credit were made payable in "Lyon Dollars" at the rate of 5s 6d [66d], New York money.<sup>88</sup> Since the exchange rate between New York and Virginia in the early 1700s was 84:60, (7s to 5s)<sup>89</sup> the Lion Dollar's comparable value in Virginia was 47½d, where the assigned value was 48d [4s]. In that period, New York was striving to increase the value of the eight-*reales* to 8s, an action that was disallowed by the Crown until later. In writing to London concerning this rejected proposal, Governor Hunter of New York stated, "'Tis not in the power of men or angels to beat the people of this continent out of the silly notion of their being gainers by the augmentation of the value of plate."<sup>90</sup>

Another contemporaneous commentary about the progress in Virginia was written by the historian, Robert Beverley, Jr, who served as a member of the House of Burgesses (1699–1706). His best known work is *The History and Present State of Virginia, In Four Parts* that was published in two editions, 1705 and 1722.<sup>91</sup> His description of the circulating currency in his first edition is essentially the same as those of Oldmixon with the exchange rates listed in an identical order. Although it is known that Beverley used "material borrowed from others" it makes the reader wonder who copied from whom?<sup>92</sup> Perhaps Beverley was the anonymous source who assisted Oldmixon and just repeated his contribution in his own work. However, in Beverley's second 1722 edition, the similarity ends. While Oldmixon duplicates his 1708 exchange table in his 1742 edition, Beverley completely rewrites his section "Of the Currency and Valuation of Coins in Virginia" in his 1722 update by omitting all his former 1705 material and briefly summarizing the new Act of October 23, 1714 (see Table VI) which deals with foreign gold, English guineas and milled silver.<sup>93</sup>

This coined money shortage was a continual frustration and the object of several proposals for legislative relief. In March 1657/58, and repeated four years later, the Assembly restricted the export out of the colony of more than forty shillings in coin with a penalty imposed upon violators of double the amount exceeding the prescribed limit.<sup>94</sup> Later, in 1744, another law approached

87 In an analysis of 70 examples of Lion Dollars, without obvious signs of tampering, from modern-day collections of the Colonial Numismatics web group, the average weight was  $415.5 \pm 4.9$  grains with a median of 416.0 (17.3 dwt). Using this value, a Lion Dollar would pass at 52.3d, still well above the allowed 48d. Of interest, Kleeberg reported that circulating Lion Dollars from the Qabatiya hoard averaged 415.43 grains (26.92 grams), an extraordinarily close correlation (Kleeberg, "Circulation of *Leewendaalders*," p. 4039).

88 White, "New York's Colonial Currency," pp. 52, 58; Newman, *Paper Money*, pp. 271, 272.

89 Nettles, *Money Supply*, p. 241. The sterling value of a dwt of silver was 3.1d, 3.42d in Virginia money, and 4.8d in New York money.

90 White, "New York's Colonial Currency," p. 52.

91 Ruggles, J., & *the Dictionary of Virginia Biography*. "Robert Beverley" Encyclopedia Virginia. Retrieved from [http://www.EncyclopediaVirginia.org/Beverley\\_Robert\\_ca\\_1667-1722](http://www.EncyclopediaVirginia.org/Beverley_Robert_ca_1667-1722).

92 Oldmixon (1708 edition), vol. 1, pp. 315-16 and Beverley (1705 edition), Book IV, part I, chapter XIV, pp. 48-50, are practically verbatim copies.

93 *The History of Virginia, in Four Parts*, (1722 edition), Book IV, part I, chapter XIV, p. 246.

94 Hening, *Laws of Virginia*, vol. i, act cxxx, March 1657/58, p. 493 and vol. ii, act cxvi, March 1661/62, p. 125. Of interest, in 1654 and reconfirmed in 1661, the Massachusetts Bay Colony forbade the export as of more than 20 shillings of its newly minted silver coins as personal expense money. This regulation was completely ignored since Massachusetts silver circulated widely in the colonies and England. See Mossman, *Money*, pp. 80-81, and Crosby, *Early Coins*, pp. 70-71. In Massachusetts, any amount of Spanish silver could be removed, only Hull's silver was restricted.

the coin shortage from a different perspective by encouraging the importation of coin rather than the punishment of an excessive export. Now persons who, on their oath, were importing "good and lawful money" into the colony which "they did not carry ... out with the intent to bring ... back again," would be granted a 15% abatement in all duties; this allowance would continue "until such sum or sums of money imported, shall be paid away."<sup>95</sup> Such schemes could only help defray, but not correct, the burdens of a periodically insolvent colonial treasury in meeting governmental expenses and salaries during seasons of a disappointing tobacco crop whose export duties subsidized "both ordinary and Extraordinary Charges of the Government." In 1684, Francis Howard (1684-1692), the royal governor requested, and was granted, temporary use of the king's quit-rent revenues,<sup>96</sup> which were paid in tobacco and/or money, to fund the salaries of unpaid officers "during the great decay of the Tobacco Trade." Access to the monarch's quit-rent income remained as a stop-gap measure "for answering any sudden Emergencies" until "about nine year ago" [i.e. 1705]. A similar petition was made in 1714 to renew this former fiscal crisis strategy.<sup>97</sup> Everything else failing, and when "by reason of the low circumstances of the Treasury" there was insufficient money in the public coffers "to discharge the wages of the Burgesses" (those who chose to be paid in money rather than tobacco), another approach voted by the Assembly on November 1761 was to postpone payment of their salaries until April 25, 1762. The other alternative to raise money quickly for this purpose was to increase the poll tax which was recognized by the legislators as an unfair and unpopular imposition on the "poorer sort."<sup>98</sup> Shortages may not always be in coined money as in 1758 when "the prodigious diminution of our staple commodity, occasioned by the unseasonableness of the weather" produced such an inadequate tobacco crop that the assembly allowed that debts, both public and private, usually settled in tobacco, could be paid in money for the "ensuing year."<sup>99</sup>

In 1679 another attempt was launched by the legislature to cry-up the value of the eight-*reales* because the lowered value for specie in Virginia ...

tempted People to export the Coin to other Plantations, where it went for more than it did in Virginia. ... The Government, round about it, often raising the Value of the Coin, is the Cause that *Virginia* is drain'd of the little it has. And 'tis impossible to prevent this Inconvenience, unless all the Colonies on the Continent were oblig'd to have one and the same Standard for their Coin, which there lately have been made some attempts to effect, tho without the Success that was expected and desir'd.<sup>100</sup>

The above cited legislative proposal to cry-up the eight-*reales* to six shillings was rejected by the new, despotic governor, Thomas Colepeper (Culpeper) (1677 to 1683), until he managed to privately buy for five shillings all the lightweight silver he could find that had been clipped down to 16 dwt. Then by his own proclamation he "raised" their value to six shillings and thereby profited nicely from his personal speculation and subsequent manipulation of the exchange rates. However, the governor's advantage was short-lived. When he was required to receive his own stipend in inflated silver, he reissued the proclamation restoring the five-shilling rate.<sup>101</sup> Thomas Jefferson, writing in 1782, reported that "in 1680 they sent an address to the king, in consequence of which, by proclamation in 1683, he [the king] fixed the value of French crowns,

<sup>95</sup> Hening, *Laws of Virginia*, vol. v, chap. i, art. xiv, Feb. 1745, p. 316. I do not find if this petition was successful.

<sup>96</sup> A quit-rent was a feudal relic based on the alleged royal ownership of all land. In the Plymouth and Massachusetts Bay charters, there was free ownership, a privilege unhappily not extended to all other colonies. See Bond, "The Quit-Rent System," *passim*.

<sup>97</sup> Palmer, *Calendar of State Papers*, vol. i, pp. 177-78.

<sup>98</sup> Hening, *Laws of Virginia*, vol. vii, chap. viii, Nov. 1761, pp. 476-77.

<sup>99</sup> Hening, *Laws of Virginia*, vol. vii, chap. vi, Sept. 1758, p. 240.

<sup>100</sup> Oldmixon, *British Empire*, vol. i, p. 315.

<sup>101</sup> Oldmixon, *British Empire*, vol. i, pp. 259-60.

rixdollars and pieces of eight at six shillings, and the coin of New-England at one shilling.”<sup>102</sup> His reference was obviously to Culpeper’s currency manipulation but omitted the fact that the five shilling rate was soon reinstated. The fact that New England money was circulating in the region has been borne out (see below).

In 1685, the House of Burgesses was instructed by England to pay the quit-rents owed to the crown in coin rather than tobacco. The colony replied that they lacked sufficient sterling to fulfill this demand and also reminded the authorities that it was forbidden for them to import English silver coin. The requirement was withdrawn and tobacco money payments for quit-rents resumed.<sup>103</sup> The colony in 1686 again petitioned the crown for the right to “cry-up” the Spanish and French silver beyond its intrinsic worth to curb the chronic drain of coined money out of their local economy just as other neighboring colonies had done. The request was summarily refused by the English Commissioners of Customs who took the position that “no rate ought to be set upon money sterling other than according to its real intrinsic value and worth.” They further concluded that advancing foreign silver beyond its intrinsic worth would be “a great hindrance to trade” and would only be to the advantage of debtors who could thereby defraud their creditors.<sup>104</sup> Again, whose interest was being primarily served?

In November 1682, a bill was passed which allowed citizens, who lacked sufficient means to meet their debts, to pay what they could in either tobacco or money and then for the outstanding amount, it was made lawful “for every such debtor to make payment of his debt or the remainder thereof in the commodities and manufacturies of this country ... at the rates and prices hereafter following.” There followed a list of 22 commodities—such as deerskins, grains, fresh meat, barrel staves, etc.—with the specific values of each expressed in current money with the stipulation that the each ware be “wholesome and merchantable” in the typical language for commodity monies.<sup>105</sup> As expected, this privilege could not be extended to his majesty’s quitrents or customs dues. This act of benevolence toward local debtors did not sit well with the Board of Trade and Privy Council who recommended the law be overturned stating it “is particularly unreasonable, as it contained a clause compelling the merchants trading from England to receive their debts in commodities.”<sup>106</sup> This would refer to English and Scottish merchants who had set up shop in Virginia as part of the tobacco trade.

In October 1697, freeholders from Accomack County, Virginia, presented the following grievance to the Assembly reiterating the need for measures to retain coined money within the colony both for local circulation and to encourage the employment of artisans.

That whereas, muneys [money] being made of Current Vallew [value], it is the only, And most Convenient Ballance [sic] for carrying on all Trade and Commerce; And forasmuch as Experience Informeth us that our naighbouring [sic] provinces & Governments by Inhancing [sic] The Vallew [value] of all faran [foreign] Quoine [coin], Do Draine [sic] and withdraw from this Government such muneys [sic] as by Several opportunity Doth Happen to be brought amongst us, to our Impouwerishment [sic] and Their Great Advantages; We Tharfore [sic] propose That a Certaine Vallew [sic] & Advance may be sett [sic], not only upon Dollers [sic], but Upon all sorts of faran [foreign] quoine [sic] which may Excede [sic] the Vallew [sic] of gt. Starling [sterling], That Tharby [sic] Incouragement may be given for importing, as well as Keeping the same to Circulate and pass plentifully in this

102 Jefferson, “Notes on the State of Virginia,” QUERY XXI. [http://avalon.law.yale.edu/18th\\_century/jeffvir.asp](http://avalon.law.yale.edu/18th_century/jeffvir.asp).

103 Bruce, *Economic History*, vol. ii, 556-64; Nettles, *Money Supply*, p. 216.

104 Bruce, *Economic History*, vol. ii, pp. 509-10; quote p. 509.

105 Hening, *Laws of Virginia*, vol. ii, act xii, Nov. 1682, pp. 506-7.

106 *Acts of the Privy Council, Colonial*, vol. ii, p. 211.

Cuntry [sic], Which would Tend much to the Incouragement of all sorts of Artificers & Tradesmen, as well as Dealers & Strangers, who are at pe'sent [present] discouraged by Reson [reason], are forced (If Deale at all) to Do it mostly upon trust, and finde Ill payments and great Dissappoyntments [sic].<sup>107</sup>

Note that the last sentence of the petition presented by the citizen of Accomack echoes again the appeal for a cash currency basis to provide a stable payment source in coin to entice skilled workers to establish themselves in the colony.<sup>108</sup> This grassroots recommendation to cry-up money, while favored by the colonial government, would be ignored by the powers-that-be in England. The obvious motive for this denial was that any inflation of Virginia money of account could potentially defraud overseas creditors to whom many Virginia planters were significantly indebted. This refusal by England was aimed at protecting royal revenues and the assets of their merchant class who were owed money by Virginia planters. Although the plantation owners were wealthy members of the "landed gentry" with extensive real estate and slave holdings, they may actually have had little ready cash but, despite that inconvenience, "often did their best to emulate the wretched excesses of the European courts."<sup>109</sup> These aristocratic planters commonly lived beyond their means with many owing significant amounts to merchants on both sides of the Atlantic. Local merchants and factors on the Virginia side often extended liberal credit to secure the rights to ship the planters' tobacco to their correspondents in London or Glasgow (which often offered better rates). Despite legislative actions by the Assembly to attract silver into the colony and limit its export, "the Virginians were unable to prevent a chronic scarcity of specie caused fundamentally by their constant tendency to import more than they could afford to pay for with their production of tobacco and secondarily by the recurrent depressions in the tobacco trade."<sup>110</sup>

By the turn of the century there were differing values for the eight-*reales* standard in the several colonies; silver was attracted to those areas which valued it the highest, such as Pennsylvania, New England and South Carolina, whereas the mother country "steadfastly refused" permission for the "crying-up" of money in Virginia, Maryland, Barbados and Jamaica—"the colonies which were the most indebted to England and which accounted for most of the colonial trade." "Should all coin pass at a single rate in America, this advantage of the nonroyal colonies would be taken from them .... A uniform schedule of values would not necessarily enable the tobacco colonies to acquire a larger stock of money; it would merely check the exportation of specie to the neighboring commercial towns."<sup>111</sup> So what else was new in the wonderful world of mercantilism!

This manipulation of the eight-*reales* weight standard and the competitive over-valuation in the North American colonies did not evade the attention of the English Board of Trade, the advisory agency empowered to supervise colonial trade and monetary policies on behalf of Parliament and the monarch's Privy Council. As a result, the royal Proclamation of 1704, applying only to silver, was issued outlining the weights and accepted values of eleven common coins in sterling. See Table IV. It was declared that the colonies could *not* advance the value of the enumerated coins beyond the maximum of the 133⅓% of the sterling rate, which would

107 Palmer, *Calendar of State Papers*, vol. 1, pp. 53-54. Accomack County abuts the Maryland border on Virginia's Eastern Shore where competition with neighboring colonies may have been more intense.

108 "... encouragement of all sorts of artificers and tradesmen, as well as dealers and strangers, who are at present discouraged by reason, are forced (if deal at all) to do it mostly upon trust, and find ill payments and great disappointments."

109 Quote from Lewis, *West From Shenandoah*, p. 108. George Washington, for example, was chronically indebted to his English factor although never denying himself imported luxury goods (Dalzell and Dalzell, *George Washington's Mount Vernon*, pp. 61-62, 67).

110 Hemphill, *English Commercial System*, p. 107.

111 Nettles, *Money Supply*, pp. 239-49; quotes p. 242.



translate into 72d per full weight eight-reales (17.5 dwt) or 4.1d per dwt. This proclamation was just a royal command, with no enforcement provisions, which Queen Anne's subjects were ordered to follow on pain of royal displeasure; it was generally ignored by the colonies. Since this declaration was instigated by the Board of Trade, it was evident that its prime motive was to ensure that English merchants be paid in a stable currency rather than any altruistic concern as to the well-being of the nascent colonial economies. In those colonies adhering to the requirements of the Proclamation of 1704, their money of account was called "LM," or Lawful Money, or "Proc.," abbreviated from "Proclamation Money." In Massachusetts, LM was used to distinguish their new money of account ratified after 1750 when they were liberated from the inflated Old Tenor currency. Many colonies refused to adhere to this Proclamation's mandate which was reinforced by a Parliamentary Act of 1708 which was likewise disregarded.<sup>112</sup>

**Table IV. Foreign Coin Values in the *Journals of the House of Burgesses*  
(April 28, 1705).<sup>113</sup>**

Foreign Coin	Weight	Rate per dwt	VA money
Mexico eight- <i>reales</i>	420	4.1d	6s [72d]
Sevil eight- <i>reales</i> , old	420	4.1d	6s [72d]
Pillar eight- <i>reales</i>	420	4.1d	6s [72d]
Four & two- <i>reales</i> per dwt	-	4d	by weight
"All" Peru pieces per dwt	-	3d	by weight
French <i>écus</i>	420	4.1d	6s [72d]
Portuguese <i>crusados</i>	268	4d	3s 9d [45d]
Three Gilder of Holland	487	4.1d	6s 11d [83d]
Old Empire Rix dollars	442	3.9d	6s [72d]
Ducatoon of Flanders	501	4.2d	7s 4d [88d]
All Foreign Gold per dwt	-	5s	-

In a coinage episode concerning German gold to be discussed later, we shall read in Hening that early in the reign of Queen Anne some of the legally enacted Virginia statutes are missing from official records but secondary references are made to them in companion documents. Among the committee reports recorded in the *Journals of the House of Burgesses* is reference to a resolution entitled, "That The Value of Coyn be Ascertained & Settled at the Following Rates."<sup>114</sup> This dialogue pertained to a 1705 bill missing from Hening's *Laws of Virginia*, entitled, "An Act for settling and ascertaining the current rates of foreign coin to pass in this dominion." Although this legislation was enacted by the Assembly, that fact was inconsequential since it was later disallowed by the Privy Council.<sup>115</sup> Reference to this same missing act was again

112 The Parliamentary Act of 1708 actually is the Act of 6 Anne, chapter 57 [1707], which, although passed in 1707, did not take effect until 1708, hence its name. This new act provided that any person in the colonies convicted of paying or receiving money in the discharge of a debt above the prescribed rates as stipulated in the Proclamation of 1704, would be imprisoned for six months or pay a £10 fine. There were no enforcement provisions for this ineffective statute (Nettles, *Money Supply*, p. 246, 246n).

113 This table was reconstructed from data recorded in the *Journals of the House of Burgesses* of April 28, 1705, which lists nine of the eleven common foreign silver coins that appeared in the Proclamation of 1704, together with their mint weights. Their value in Virginia money of account is based on essentially 4d per dwt. The value for foreign gold is prescribed at 5s per dwt although the Proclamation of 1704 never applied to gold.

114 *Journals of the House of Burgesses*, April 28, 1705, p. 99.

115 *Journals of the House of Burgesses* 1702/3-1705; 1705-1706; 1710-1712, p. xxvi mentions that the bill was disallowed but I cannot find the details of this disapproval that should have been in *Acts of the Privy Council, Colonial*, vol. ii.

made in 1762 (*vide infra*) in regard to the value for foreign gold. In the minutes of the House from 1705 the specific weights and values of nine foreign coins in Virginia money of account were listed in the voided 1705 act which would have placed silver at 4.1d per dwt and gold at 5s per dwt (Table IV). The reason for the royal disapproval was obvious because it would have placed Virginia currency at a 100.00:133.33 relationship with sterling (Lawful Money, LM or Proc.) which the Board of Trade and Privy Council were not prepared to sanction, even though it was been approved for other colonies consequent to the Proclamation of 1704 and the later Act of 1708. It was further pointed out that if this 1705 bill had become law and "if the payment of the tobacco export duty and the quit-rents were made at the proclamation rate, the royal revenues would be diminished by one-sixth."<sup>116</sup> For Virginia, the initial 1645 law setting the rate of the eight-*reales* at 6s was repealed by the act of March 1655/56<sup>117</sup> which stated that the colony could not advance the value of eight-*reales* above five shillings, or a rate of £100.00, sterling, to £111.00, Virginia.<sup>118</sup> Two almost identical bills from March 1657/58<sup>119</sup> and March 1661/62<sup>120</sup> again restated "that noe [sic] false money shall pass for currant in this countrey [sic]" and reiterated that good, silver pieces of eight were valued at five shillings.

Concerning the aborted 1705 Virginia legislation, currency exchange tables of the period show that gold in 1750 in Pennsylvania was listed at £6 5s per ounce which reduces to 5s per dwt in Virginia currency while in New England almanacs of 1763, gold was reckoned at 5s ¾d per dwt and silver at 4d the pennyweight, which is essentially Lawful Money.<sup>121</sup> In summary, this 1705 legislation was going to level the colonial currency playing field and allow Virginia a Lawful Money status of 100.00:133.33, sterling to Virginia currency. London said "no"; the fact that the legislation was lost was inconsequential.

Then in 1710, a new currency act, passed by the House of Burgesses was approved by London which allowed good foreign silver to pass at 3¾d per dwt which was less than the 4.1d proposed in the aborted 1705 bill. Rather than permitting Virginia the full inflation of 33.33% allowable under the Proclamation of 1704 and Act of 1708, it sanctioned only a 100.00:121.00 par of exchange with sterling, because of their potential indebtedness to English merchants.<sup>122</sup> The new 1710 Virginia legislation quoted Queen Anne's 1704 Proclamation and declared that five specified sterling quality (or better for Spanish-American money) silver coin types would now pass *by weight* at 3¾d per dwt, Virginia money, while three others of a weaker alloy would pass at 3½d per dwt.<sup>123</sup> The fractional denominations of the specified coins were to be valued proportionally. See Table V. The percent increase was the amount that Virginia was allowed to cry-up the silver in its jurisdiction according to this October 1710 act. The maximum increase permissible for other colonies as stated in the Parliamentary Act of 1708 was 33.33%

<sup>116</sup> Hemphill, *English Commercial System*, pp. 120-21. The object lesson here was, royal revenues were off-limits.

<sup>117</sup> This law was first passed in the previous session, March 1654/55, act iv, but then repealed and replaced by Hening, *Laws of Virginia*, vol. i, March 1655/56, act iv, p. 397. This rate change excludes Governor Culpeper's brief caper of manipulating the rate to 6s in the 1680s.

<sup>118</sup> From 1691 to 1719, the average Virginia exchange rate on London was 100.00:109.77 (McCusker, *Money and Exchange*, p. 209).

<sup>119</sup> Hening, *Laws of Virginia*, vol. i, act cxxx, March 1657/58, p. 493.

<sup>120</sup> Hening, *Laws of Virginia*, vol. ii, act cxvi, March 1661/62, p. 125.

<sup>121</sup> Gold at £6 5s per ounce (480 grains) Pennsylvania money is 6s 3d per dwt; if the disallowed 1705 bill had become law and Spanish-American eight-*reales* passed at 72d in Virginia, the exchange rate with Pennsylvania would have been 90:72 making the value of gold 5s, Virginia (Franklin's *1750 Pocket Almanac*). In the New England colonies who used Lawful Money after 1750, the price per dwt for gold and silver, established after 1763, was 5s ¾d and 4d, respectively (Anderson's *Rhode Island Almanack*).

<sup>122</sup> Nettles, *Money Supply*, p. 242.

<sup>123</sup> Hening, *Laws of Virginia*, vol. iii, chap. x, Oct. 1710, pp. 502-4.

but Virginia was denied this level of inflation. Since the eight-*reales* pieces negotiable at five shillings before the 1710 legislation were no doubt underweight (16 dwt according to Oldmixon), this new legislation, pegging full weight coins at five shillings, six pence, probably produced no actual increase in value since the circulating coins were lighter.<sup>124</sup> Of interest, the new Virginia law only recognized eight coins from the 1704 proclamation and the Parliamentary Act of 1708 which had originally listed eleven. The designation, pieces-of-eight (or eight-*reales*), "is not uniformly clear"<sup>125</sup> since the 1708 legislation listed both "old plate Seville Pieces of Eight" of 420 grains with a sterling value of 54d, and "new plate" coins of 336 grains which passed at 43.25d, sterling. The 1710 Virginia Act does not indicate which variety of eight-*reales*, "new plate" or "old plate," was to be covered by their new legislation, but it makes no practical difference since both pieces were to pass by weight at an identical silver fineness according to the assay performed at the Tower Mint by Sir Isaac Newton in July 1702 which formed the standard basis of the weights and sterling valuations for the enumerated coins in Queen Anne's Proclamation and subsequent legislation.<sup>126</sup> The two other silver coins contained in the Proclamation of 1704, and omitted from the Virginia statute, are the "Three Gilder Pieces of Holland," and the "Pillar Pieces of Eight." The identity of the latter is obscure since the description conforms to both the Mexico and Seville, Old Plate, eight-*reales*. Of interest, Virginia sought to monetize coins from Flanders (Ducatoons), Portugal (Crusados), the Spanish Netherlands (Cross Dollars), and the old German States (Rix Dollars) for circulation in their colony yet omitted the Dutch three-guilder pieces which had been current for almost a hundred years in New York and Massachusetts.<sup>127</sup> A penalty was imposed for anyone refusing these monies in the payment of debt and for anyone convicted of counterfeiting or debasing the aforementioned coins; the crime would be treated as treason and the felons would be punished according to the law passed in the eighteenth year of Queen Elizabeth I (1575). An interesting finale to the 1710 Act stated that if copper money was ever permitted in the colony, it would pass at the same rate as in Great Britain. More about this later.

**Table V: Virginia Act of October 1710, chap. x, regulating silver coins from the Proclamation of 1704.**

Foreign Coin	Weight (a)	Rate (b)	VA money (c)	Sterling (d)	% Increase (e)
Mexico eight- <i>reales</i>	420	3¾d	65.6d	54.0d	21.48%
Sevil eight- <i>reales</i> , old	420	3¾d	65.6d	54.0d	21.39%
Ducatoon of Flanders	501	3¾d	79.9d	66.0d	21.10%
French <i>écus</i>	420	3¾d	65.6d	54.0d	21.48%
Portuguese <i>crusados</i>	268	3¾d	41.9d	34.25d	22.34%
"All" Peru pieces	420	3½d	61.25d	53.0d (f)	15.57%
Cross dollars	432	3½d	59.6d	52.75d	12.98%
Old Empire Rix dollars (g)	442	3½d	61.0d	54.0d	12.96%

(a) Weights are taken from the Proclamation of 1704 which were based on calculations performed at the Tower Mint by Sir Isaac Newton in July 1702. The Spanish coins were authorized at 0.9305 fine (except that the debased Peru pieces were reported as low as 0.500 fine), the Ducatoon at 0.944, and the Cross and Rix dollars at 0.875 fine. All others were minted at 0.925 sterling. The equivalent Virginia money was calculated based on its sterling equivalency.

(b) New allowable rate in Virginia money per dwt of alloy

(c) Virginia money of account. For practical purposes the eight-*reales* was a 16 dwt coin at 5s 6d (66d).

124 McCusker, *Money and Exchange*, p. 206.

125 Chalmers, *British Colonies*, p. 391.

126 Shaw, *English Monetary History*, pp. 136-47.

127 Mossman, *Money*, pp. 64-65. At this time, England and the Netherlands had been at peace for 36 years so the avoidance of the Dutch three-guilders was not due to some international quarrel.

(d) Sterling rate as published in the Proclamation of 1704.<sup>128</sup>

(e) % increase over sterling allowed for Virginia. The maximum permitted under the Proclamation of 1704 was 33.33%, corresponding to an exchange rate of 100.00:133.33.

(f) Newton made no definite statement as to the value of this debased currency.

(g) Rix dollar was the English language equivalent for the *Reichsthaler* minted in many German states.

In this 1710 legislation it would appear that the “Peru” pieces were significantly overvalued at 3½d per dwt considering that many were debased up to 50%. One reason for this may have been that overvalued coins would not have been subject to export and certainly they would not have fallen victims to the melting pot. The Cross Dollar and Rix dollar were both undervalued but I would question how commonly they would have been encountered in commerce.

The next currency act was passed by the General Assembly in October 1714. It acknowledged the fact that all English silver had been passing in Virginia at a lower rate than “the coin of foreign princes and states, current here.”<sup>129</sup> (On closer examination, this statement sounds incongruous because it was forbidden to export English currency into the colonies! No explanation is given.) The law failed to specify what the former rate for English silver had been but we can assume that sterling in Virginia remained at a par with England as evidenced by Oldmixon who stated “And all English Coin as it goes in *England*.” (See Table III) The sterling standard had been 3.10d per dwt, or 62.0d per troy oz, since the time of Queen Elizabeth I making a five shilling crown of 464.5 grains worth exactly 60.0d.<sup>130</sup> To rectify the deficiency stated above, where English silver had been passing below the rate for other European coins, all milled English silver, meaning coins with secure edges to prevent clipping minted after 1662, was now to pass in Virginia under this new legislation, probably by tale, at the rate of 5s 10d (70d) per crown of five shillings and all fractional coins, proportionately. This meant that each milled English shilling in Virginia money would be advanced over its sterling value by 2d, or 16.7%, to a silver value of 3.62d per dwt. The remaining old hammered, well clipped, English silver coins still in circulation in Virginia, which were at least 50 years old, were to pass by weight at 3.75d per dwt which was equal to the rate established in 1710 for Spanish pieces-of-eight [except Peruvians], French *écus*, Portuguese *crusados*, and ducatoons of Flanders. What is not explained by this statute is why new, milled English silver at 3.62d per dwt was regulated to pass at 3.6% below European and Spanish-American silver and the old, mutilated, clipped English coinages (which obviously had to pass by weight) which were valued at 3.75d per dwt. Why?

By the same statute, all foreign gold was to pass in Virginia at 5s per dwt, including “not milled” (i.e. hammered) English remnants. The rate for the milled English guinea was specifically set at 26 shillings by tale, or 4.82s per dwt, which was about a shilling lower than the calculated value of 26.96 shillings based on the new standard for foreign and hammered English gold.<sup>131</sup> As noted in Table VI, the value of the guinea, first minted in 1663, had been fluctuating widely in England in relation to the mint price of gold. This lower value assigned for the guinea in Virginia may have been a deliberate action to avoid the need to readjust its value to accommodate for frequent variations in the metropolitan price of gold. Such a change would not have influenced the value for the foreign gold coins in the colony. Another possibility is that the 1714 law, while professing to bring both English gold and silver up to the value of “the coin of foreign princes and states, current here,” was devised to keep milled English coinage at a lower value with the expectation that the more inflated foreign money would be preferentially attracted. No one

<sup>128</sup> Chalmers, *British Colonies*, pp. 414-15.

<sup>129</sup> Hening, *Laws of Virginia*, vol. iv, chap. i, Oct. 23, 1714, sec. i-v, pp. 51-53.

<sup>130</sup> Feavearyear, *Pound Sterling*, p. 435.

<sup>131</sup> All current gold to pass at 5/- the dwt (Hening, *Laws of Virginia*, vol. iv, chap. i, Oct. 23, 1714, p. 52; also Feavearyear, *Pound Sterling*, pp. 97-98, 435; 129.4 grains ÷ 24 = 5.39 dwt; 5.39 x 5s = 26.958s = £1 6s 11½d.



apparently cared about the old, clipped English gold relics hammered prior to 1663 and so we assume that few were present in the Virginia. The Act continued with a provision stating that anyone convicted of counterfeiting or debasing this currency shall be charged with high treason and punished as by English law.

**Table VI: The data from the October 23, 1714 Virginia Act expressing the current value of enumerated gold coins.<sup>132</sup>**

Foreign Gold/English Silver	Weight (a)	Sterling	Virginia (b)	% increase
Spanish <i>pistoles</i> 1537-1772	104.4	17s 4¾d	21s 9d	25.0%
Doubloon (quadruple <i>pistole</i> )	417.6	£3 8s 5d	£4 7s 0d	25.0%
French Louis d'Or 1640-1709	104.2	17s 4½d	21s 8½d	24.9%
French Louis au Soleil 1709-1715	125.9	20s 11¾d	26s 2¾d	25.0%
Arabian Chequeens	53.75	8s 6½d	11s 2½d	31.2%
Portuguese Moidores 1640-1732	83.0	13s 10d	17s 3d	24.7%
Portuguese Johannes 1722-1835	442.6	£3 13s 9¼d	£4 12s 2½d	25.0%
Portuguese half-Johannes	221.1	£1 16s 10¼d	£2 6s ¾d	25.0%
English guineas 1663 (England) (c)	129.4	20s 0d	26s 0d (d)	30.0%
English guineas 1699 (England) (c)	129.4	21s 6d	26s 0d (d)	20.9%
English guineas 1714 (England) (c)	129.4	21s 0d	26s 0d (d)	23.8%
Milled English silver crowns (e)	464.5	5s 0d	5s 10d	16.7%
Hammered English silver (f)	variable	variable	variable	20.9%

(a) Weights of gold coins are taken from their authorized weights.

(b) Foreign gold coin values in Virginia money calculated at 5s per dwt for weight given in (a).

(c) In Virginia, the English guinea was to pass by tale at 26s. Due to an unstable bimetallic standard, the value for gold, and consequently the guinea, was quite variable until 1717.

(d) Based on the legislated Virginia standard of five shillings per dwt and mint weight, the guinea in Virginia should have passed for 26.958s, or 11½d higher [3.68%] than the legislated rate of 26 shillings.

(e) Milled English crowns to pass by tale at five shillings ten pence, or 3.62d per dwt.

(f) Old English silver, not milled, to pass by weight at 3¾d per dwt, and therefore variable.

Again in 1727, the subject of ascertaining and regulating the current rate for silver coin was raised and acted upon by the General Assembly which repealed the earlier 1710 and 1714 coinage laws.<sup>133</sup> The preamble to the legislation acknowledged that the silver coin in Virginia was "greatly disproportioned to the value at which the same pass in the neighboring plantations, whereby encouragement hath been given to draw thither the several species of the said silver coin, to the great detriment of trade and commerce of the colony." As a proposed remedy to correct this disparity, the same European coins that were raised to 3¾d per dwt in 1710 were now enhanced to 4.0d per dwt. This increased the full weight Spanish-American eight-*reales* from 65.6d to 70d [5s 10d]. Similarly, the lesser coins, i.e. the Cross Dollars, "Peru pieces," and "Old Rix Dollars," were now advanced to from 3½d to 3¾d the dwt, and English milled crowns were to pass by tale in Virginia money at 6s 3d [75d], up from 70d, and fractional denominations proportionately. This "crying up" of milled English silver now placed it at 3.88d per dwt, increased from 3.62d in 1714, but it still trailed the superior foreign silver by 3.1%.

<sup>132</sup> Included were all hammered British gold coins, all Spanish, French, German Empire, and Arabian Chequeens, and Portuguese Moidores. These were to pass by weight at the rate of 5s per dwt. Also included was the English guinea expressly set to pass at 26 shillings by tale. English crowns were to pass by tale at 5s 10d, and fractional silver proportionately. Old hammered British coins, reduced to scrap by that time, were to pass by weight.

<sup>133</sup> Hening, *Laws of Virginia*, vol. iv, chap. ix, Feb. 1727, pp. 218-20.

See Table VII. Although this act excluded any payments already due, it was adamant that the “aforesaid coins” were legal tender at the new rate indicated and if any party refused to receive these monies, “he, she, or they so refusing, shall lose and forfeit to the party who offers or tenders the same, such ... sums as he, she, or they, so refuse and deny to take.” None of these new regulations seem to take into account that it was forbidden by law to import English specie coins into America. The subject of copper money was again raised stating that if it were ever to be current in the colony, it would pass at the same rate as in England – that is, 12d, or 24 halfpennies, to the shilling. Counterfeiting was reinstated as a capital crime as provided in the previous laws, now annulled. The “frauds and abuses” frequently associated with cutting foreign gold coins into smaller segments was now recognized as a scam and, by this legislation, only whole coins were permitted to pass, probably by tale. The fraud in this case related to cutting counterfeit gold coins and passing them in sections so there was less chance the deception would be spotted by an unsuspecting public.

**Table VII: 1727 statute further increased the rate of foreign silver to either 4.0d per dwt or 3¾d dwt.<sup>134</sup>**

Foreign Coin	Weight (a)	Rate (b)	Virginia (c)	Sterling	% Increase (e)
Mexico eight- <i>reales</i>	420	4.0d	70.0d	54.0d	29.6%
Sevil eight- <i>reales</i> , old	420	4.0d	70.0d	54.0d	29.6%
Ducatoon of Flanders	501	4.0d	83.5d	66.0d	26.5%
French <i>écus</i>	420	4.0d	70.0d	54.0d	26.6%
Portuguese <i>crusados</i>	268	4.0d	44.7d	34.25d	30.5%
“All” Peru pieces	420	3¾d	65.6d	53.0d (d)	23.7%
Cross dollars	432	3¾d	67.5d	52.75d	21.8%
Old Rix dollars	442	3¾d	69.1d	54.0d	28.0%
Milled English crown	464.5	3.88d (b)	6s 3d	5s 0d	25.0%
Milled English shilling	92.9	3.88d (b)	1s 3d	1s 0d	25.0%
Milled English sixpence	46.45	3.88d (b)	0s 7½d	0s 6d	25.0%

(a) weights are taken from the Proclamation of 1704 based on calculation performed at the Tower Mint by Sir Isaac Newton in July 1702.

(b) rate per dwt for specific coins as indicated in 1727 legislation; the 3.88d per dwt of English silver is calculated from columns a and c, which is 3.1% lower than good foreign silver..

(c) calculated value in Virginia money for full weight coins at prescribed rate; value for English silver stipulated by tale in legislation.

(d) not an accurate reading for this debased series. The Proclamation of 1704 quotes “Four shilling and Five Pence, or thereabouts.”

(e) the new percentage increase of sterling; note that the Proclamation of 1704 allowed for no more than a 33.3% increase whereas Virginia was held by English law to a lesser amount.

An interesting act was passed in the 1762 fall session of the House of Burgesses wherein the value of gold coins of the German Empire was modified.<sup>135</sup> In the preamble to this bill there is reference to earlier legislation passed in 1702 during the first year of the reign of Queen Anne whose title was “An act for regulating and settling the currency rates of gold coin, and of British silver coin in this dominion.” This statute is missing from Hening’s volume iii where he calls attention to the fact that after August 1702 there is a “chasm” in the existing legislative

<sup>134</sup> English milled crowns were set to pass by tale at 75d or 3.88d per dwt (calculated). No allowance is made for the fact that Spanish-American silver (i.e., Mexican) was made from a stronger alloy until 1732 than the sterling coinages of France, Flanders, etc.

<sup>135</sup> Hening, Laws of Virginia, vol. vii, chap. xi, Nov. 1762, pp. 575-76.

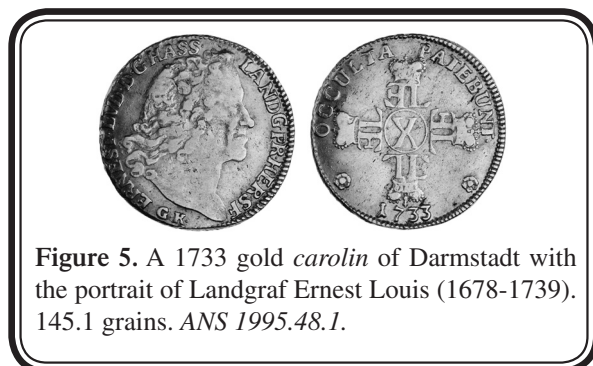


Figure 5. A 1733 gold *carolin* of Darmstadt with the portrait of Landgraf Ernest Louis (1678-1739). 145.1 grains. ANS 1995.48.1.

record until 1705 and so we can assume the details of this “1st Anne” enactment were lost. The “gold coin of the empire” cited in the act refers to several issues of gold trade coins, known as *carolins*, *carolines* or *carolins d’or*, minted by several German states, namely Bavaria, Hesse Darmstadt, Mannheim (Pfalz Electorate), and Württemberg in the 1726 to 1737 period. These milled coins, from all four locations, were struck in three denominations at 0.7700 fineness (18.48 karat), with the full *carolin* at 149.7

grains [6.24 dwt], and the one-half and one-quarter fractions, proportionately. These coins from four separate German constituencies had a similar style, the bust of the reigning prince on the obverse with the arms of the state on the reverse.<sup>136</sup> The legislative preamble continues to state that in 1702 these coins were valued in Virginia money at £1 11s 2¼d [that is 5s to the dwt of 22 karat gold] but “it has been found that the said gold is worse than the Spanish doubloons at least fifteen per cent” [actually 16.0%]. The 1762 decree provided that these German coins would still be current in Virginia for all debts, “except his majesty’s quitrents,” but now at four shillings threepence the pennyweight. The act goes on to offer, in a very benevolent gesture, that for anyone possessing *carolins* prior to the passage of this 1762 act, the colonial treasurer would make up the difference in value between the old and new rates out of public money, namely 4s 8d per full weight *carolin*.<sup>137</sup> This was fair compensation considering that the colony had been assigning an excessive value to these trade coins for 60 years although the coins had been circulating correctly in nearby Pennsylvania since at least 1750 at £1 14s, local money, which was equivalent to £1 6s 5¼d, Virginia money!<sup>138</sup> On the surface it would have appeared that somebody in Williamsburg had been asleep at the switch! But what this 1762 bill conveniently does not tell the taxpayer citizens of Virginia is that on July 15, 1746, this issue had been previously brought up in the House of Burgesses where a motion was made to repeal part of the 1702 bill and replace it with an act for “calling in and establishing the Value of German Gold, commonly called Carolines.”<sup>139</sup> The 1746 motion was squarely rejected, thus the compensation built into the 1762 act sixteen years later for holders of their undervalued coins seems to have been an expiation for the Assembly’s collective guilty conscience! Another possible explanation for this subsidy awarded to *carolin*-holders may have been a necessary political compromise included to mollify the proponents of the failed act in 1746. So, in summary, for whatever reason, the market place was being cheated for at least 16 years in the value of the *carolins* with the full knowledge of the House of Burgesses whose initial action was to hide the fact.

Following the above action regarding the German *carolins*, the exchange rates for the Virginia monies of account was stable through the Revolutionary War. It is interesting to compare these official rates with the actual values as corroborated by the local citizenry. We have no better source for such an evaluation than the ledgers of George Washington in which he kept his

<sup>136</sup> Cuhaj, *Standard Catalog*, pp. 445, 512, 560, 643-44; McCulloch, *Dictionary of Commerce*, pp. 326, 328; and Kelly, *Universal Cambist*, pp. 177-181, 198, 207, 210, 231, 281.

<sup>137</sup> *Carolin* prior to 1762:  $149.7 \div 24 = 6.24 \text{ dwt} \times 5\text{s} = 31.19\text{s} = \text{£}1 \text{ } 11\text{s } 2\frac{1}{4}\text{d}$ . In 1762:  $149.7 \div 24 = 6.24 \text{ dwt} \times 4.25\text{s} = 26.52\text{s} = \text{£}1 \text{ } 6\text{s } 6\frac{1}{4}\text{d}$ . The sterling value of *carolins* was calculated at £1 0s 4¾d and the average of four separate assays was £1 0s 3.625d (Kelly, *Universal Cambist*, pp. 177-181).

<sup>138</sup> From Franklin’s 1750 Pocket Almanac, a *carolin*, least weight 149 grains, was valued at £1 14 0. In 1762 the exchange rate between Virginia and Pennsylvania was 90:70 based on the value of the milled Spanish- American eight-reales, the monetary standard.

<sup>139</sup> *Journals of the House of Burgesses 1742-1749*, July 15, 1746, p. 229.

plantation and personal business dealings in 1772 and 1774. In his entries for "cash on hand," the gold coins that circulated through his coffers were English guineas, Spanish *pistoles*, and Portuguese half-joes. He specifically entered the guineas at 26s by tale. On the three separate occasions of record when he audited his cash on hand, he countered his ten Spanish *pistoles* on August 9, 1772, arriving at a total value of £10 18s 0d which averaged £1 1s 9½d each; then on December 13 the 30 *pistoles* he counted amounted to £31 12s 6d, or £1 1s 1d each; the final recording, of which we have a copy, was done on January 1, 1774, at which time 21½ were examined whose total in Virginia money came to £22 4s 6d, or an average of £1 0s 8d each. Whereas the mint weight for a Spanish *pistole* was 104.4 grains, its full value in Virginia money, as prescribed in 1714, should be £1 1s 9d, although the least acceptable weight for those in circulation was 102 grains, or £1 1s 3d. If we stipulate to the accuracy of Washington's scales, we can assume that his *pistoles* had undergone some minor clipping of a few grains.<sup>140</sup> In addition to the *pistoles*, Washington also reckoned the value of his 66 half-joes which came to £148 17s 6d or £2 5s 1¼d each. For the 57 half-joes he examined on December 13, 1772, the sum came to £128 12s 6d, an average £2 5s 1½d each. On his last session, he assessed 45 half-joes and came up with an average value of £2 5s 0d each. These combined averages were about one shilling, or 2.2%, below the expected of £2 6s ¾d for a mint weight coin of 221.1 grains, although in commerce, a full weight coin was considered to be 220 grains. Suspecting some clipping, Washington assessed his gold coins by weight rather than by tale (as he did for English guineas) and made a notation of "weight" penned in next to his values.

As for silver coins in Washington's strong box, in August 1772 he counted his whole pieces-of-eight [dollar] by tale at 5s 9d each,<sup>141</sup> whereas later that year and in 1774 he valued them as

140 Some of the same *pistoles* may have been counted in more than one of the three weighings.

141 This 5s 9d [69d] as the same value for the eight-*reales* listed for Virginia in the 1786 *Bickerstaff Almanack*. Its next and last rate increase to 6s [72d] occurred in 1793 (see Table IX).

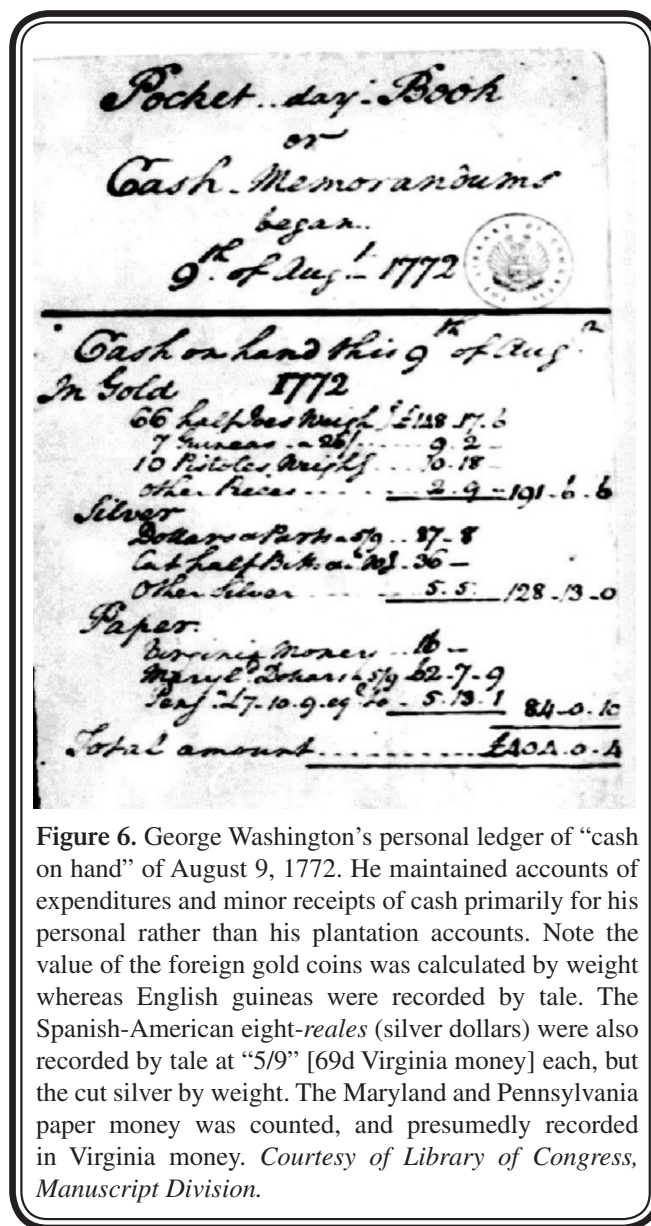


Figure 6. George Washington's personal ledger of "cash on hand" of August 9, 1772. He maintained accounts of expenditures and minor receipts of cash primarily for his personal rather than his plantation accounts. Note the value of the foreign gold coins was calculated by weight whereas English guineas were recorded by tale. The Spanish-American eight-*reales* (silver dollars) were also recorded by tale at "5/9" [69d Virginia money] each, but the cut silver by weight. The Maryland and Pennsylvania paper money was counted, and presumably recorded in Virginia money. *Courtesy of Library of Congress, Manuscript Division.*



high as 6s 1d. The value of the many cut segments of silver coins he figured only by weight. For his 120 pistareens, he entered a value of £8 10s 0d which allows 17d each. Since the intrinsic value of pistareens was five to the piece-of-eight, this was a significant overvaluation for which an explanation is sought. It will be noted later how the pistareen notes of 1775 were valued at 15d. Even as late as 1797, pistareens were valued in Virginia at 14.4d.<sup>142</sup>

Pistareens were eighteenth-century, mainland Spanish minor silver coins denominated as two *reales* which came into being in 1707 during the War of the Spanish Succession (1701-1714) as debased "Provincial Pesetas" struck in .8333 fine silver, an alloy 10.45% weaker than the .9305 fine silver reserved for the international standard Spanish-American eight-*reales* and its fractional parts.<sup>143</sup> The name, "pistareen," is an informal Spanish diminutive for "little piastre" although coins of the similar design with an obverse cross had been minted in the late sixteenth- and throughout the seventeenth-centuries in .9305 silver.<sup>144</sup> This new debased coinage was struck at the royal mints in Madrid, Seville, Cuenca and Segovia while those for Charles III, the pretender, originated in Barcelona (monogram style reverse) from 1701 to 1714 with a rare output from Valencia. The full, half- and quarter-pistareens, all of a similar design, were minted in many years with short runs and discontinuous gaps related to the Treasure Fleets successes and failures. Although the cross pistareen, and its fractional one-half and one-quarter parts, were officially "provincial coins of new plate" intended for circulation within the Iberian Peninsula, their production proved very profitable for the royal coffers in terms of seigniorage and were thus minted in great numbers. The coins quickly traveled as a trade currency into the New World and British Isles as a welcome relief to their small change scarcity. Their lower silver content protected them from being melted by speculators and disappearing into hungry precious metal markets. All pistareens of this "new plate" were valued at five to the Spanish-American milled dollar whereas the Central and South American two-*reales*, or two bits, passed at four to the standard eight-*reales* or dollar.

Then in 1732, when the Spanish-American milled "pillar" coinages were introduced, the fineness of the colonial coinages was reduced from .9305 to .9167. The silver content of the Spanish-American pillar series was stable for the next 44 years until 1772 when, for a second time, the alloy was now reduced to .9028 fine coincident with the adoption of the "portrait" series. During these alterations to the Spanish-American silver, the "new plate" coinages of peninsular Spain remained stable at .8333 until 1772 when they were reduced to .8125 fine, a value that still maintained its original 10% differential from the standard. This "cross pistareen" type was discontinued and the obverse design changed to the bust of the monarch giving rise to the name, "head pistareen."

Pistareens became a major currency in colonial Virginia, first appearing in the lower James River by 1725 and spreading rapidly throughout the Tidewater region. Their history was traced by Thomas Kays in his article, "When Cross Pistareens Cut Their Way Through the Tobacco Colonies."<sup>145</sup> These coins were very commonly cut into halves and quarters, guided by the cross, to make smaller change. Pistareens were also cut into odd fractions such as fifths, or one third side cut bits, or center holed, for Caribbean trade in various island economies of the British Empire. Pistareens were heavily counterfeited particularly in New England, New York, Virginia, and North Carolina.<sup>146</sup>

142 Pike, *Complete System of Arithmetic*, p. 382.

143 Mossman, *From Crime to Punishment*, pp. 90-95.

144 Chalmers, *British Colonies*, pp. 395, 403.

145 Kays, *CNL* 1998, pp. 2169-70.

146 See Kleeberg, "A Coin Perfectly Familiar to Us All," *passim*, and particularly p. 1874, for a detailed review of the role of this interesting coinage.



**Figure 7.** Six types of Spanish pistareens that were current in the English North American colonies starting in 1707. This series was a debased Spanish Provincial *peseta* of two-*reales* struck in .8333 fine silver. Prior to 1707, coins of a similar design were minted for use in Spain at .9305 fine but not for New World circulation (Schilke and Solomon, *America's Foreign Coins*, pp. 75-79; Chalmers, *British Colonies*, pp. 395, 403). All courtesy of Thomas A. Kays.

**Top Row:** a) 1708, Philip V, Segovia mint, with monogram on reverse which was the style for 1707 to 1708; b) 1713, pistareen of Charles III, the Habsburg pretender to the Spanish throne who was actually Charles VI, the Holy Roman Emperor. Barcelona mint (Cayón, *Las Monedas Españolas*, vol.1, pp. 833-35).

**Middle Row:** a) 1716, Philip V, Madrid mint, with distinctive “cross” motif which was to continue until the design was altered to the “head” pistareen in 1772. In the earlier period, these coins were typically minted in a roller press between a pair of dies engraved on the roller cylinders; if significant misalignment of the rollers occurred, this “off-strike” appearance was the result. Minor “off-centering” is common in this series. Note this example is elongated in the vertical plane indicative of excessive longitudinal pressure exerted on the metal strip by the rollers (Doty, *Dictionary of Numismatics*, pp. 215, 236-37, 282-83.); b) 1724, Luis I, Madrid mint, with typical “cross” motif. A single year issue. His father, Philip V, who had abdicated in favor of his son, resumed the throne after Luis’s untimely death from smallpox. The coinage of Philip V continued until 1746.

**Bottom Row:** a) 1759, Ferdinand VI, from Seville mint with “cross” style reverse; b) “1761,” struck counterfeit of Charles III from “Seville” with “cross” style reverse, and the proper assayer’s initials, JV. The bold letter fonts betray this coin as a genuine piece. Counterfeit “cross” pistareens were common, both from known domestic colonial operations and more than likely from Birmingham as well (Mossman, *From Crime to Punishment*, pp. 90-95; Cayón, *Las Monedas Españolas*, vol.1, p. 1108.).



**Table VIII: Analysis of 260 Spanish mainland pistareens and fractional parts dug in Tidewater, Virginia by Thomas Kays.**

[illegible]



## Copper Coins in Virginia

English “patent” farthings dating from the reigns of James I and Charles I have been recovered from early Virginia settlements at Jamestown, Yorktown, Martin’s Hundred, and Virginia Beach suggesting a limited circulation in the early 1600s.<sup>148</sup> These lightweight coppers, authorized from 1613 to 1644 as small change for England, Ireland, and Wales, had been minted by private patent holders who had bought the exclusive right (i.e., patent)

from the crown from which they reaped great personal profits. These overvalued tokens proved very unpopular at home but apparently many had been brought by new settlers to Virginia.<sup>149</sup> Although the original 1606 Virginia charter had allowed for a colonial mint, nothing had ever come from this provision. In 1636, Governor John Harvey (1628-1639) requested from England a large consignment of coppers to fill the enlarging small change gap and thus King Charles I granted Lord Maltravers, one of the several patentees, the right to mint similar coins for all the colonies except Maryland. The House of Burgesses advised the governor that these miniscule copper farthings were an inappropriate solution to furnish the small change need of the colony and, as an alternative, requested the importation of 10,000 small copper coins, a proposal which was ignored.<sup>150</sup> The subject was abandoned during the English Civil War, but, both in 1710 and 1727, the Assembly again requested the monarch to grant the colony a copper coinage for small change which would pass at the same rate as in England; again no response.<sup>151</sup> In a proposal from Northampton County to take matters into their own hands, a motion was placed before the House of Burgesses on February 9, 1727, “That Copper money may be made current in this Colony”;<sup>152</sup> the proposition was rejected probably because a bill had just been passed in which it was subtly requested again that the monarch permit copper currency in Virginia.<sup>153</sup>



**Figure 9.** A Charles II royal farthing token (1634-1636) minted under the patent issued to Henry Howard, Lord Maltravers. Enlarged. *Courtesy of the author.*

Typical of the coinage, this example weighs 5.9 grains, diameter 17 mm., mintmark bell on obverse and reverse (Peck 235). Patent farthings have been recovered in Tidewater, Virginia. Maltravers' patent was revoked in 1642 at the time of the English Civil War.

148 See Jordan, “Coinage in the English Colonies,” pp. 200-3, for a review and extensive bibliography of patent farthings circulating in the colonies. These tiny copper farthings were minted by private entrepreneurs under patents granted by the king to his favorites who produced them at tremendous personal profits. The coins were widely counterfeited and proved unpopular among the poorer classes. Lord Maltraver’s patent farthings (1634-1636) averaged about 9 grains in weight as compared to 89 grains for the later royal farthings of Charles II that followed them in 1672 (Peck, *British Museum*, pp. 65-68, 145).

149 Patent farthings were outlawed in the Massachusetts Bay Colony in 1635 (Felt, *Mass. Currency*, p. 20).

150 Bruce, *Economic History*, vol. ii, pp. 500-1; Hening, *Laws of Virginia*, vol. i, act xx, Nov. 1645, pp. 308-9.

151 Hening, *Laws of Virginia*, vol. iii, chap. x, Oct. 1710, p. 503 and vol. iv, chap. ix, Feb. 1727, p. 219.

152 *Journals of the House of Burgesses 1723-1734, 1736-1740*, Feb. 9, 1727, p. 14.

153 Hening, *Laws of Virginia*, vol. iv, chap. ix, act iv, Feb. 1727, p. 219.

On November 22, 1769, the Assembly voted that a letter be sent to their newly arrived governor, Norborne Berkeley, Baron de Botetourt (1769-1770), requesting that he “use his good Offices with his Majesty to issue his Royal Proclamation for permitting Copper Money to be brought in, and pass in this Colony.”<sup>154</sup> In the actual letter submitted later to the governor, there was the specific appeal that the coppers pass in Virginia at a rate allowing for the twenty-five percent differential between the local money and sterling, in other words at 18 halfpence to the shilling.<sup>155</sup> Again, no reply from London.

**Table IX: Exchange Rates of Regal English Halfpence in the Various Colonial Monies of Account<sup>156</sup>**

Column A = reference year

Column B = the number of English halfpence per colonial shilling of account

Column C = value of standard Spanish eight-*reales* in local colonial money of account

Column D = number of local halfpence per Spanish-American eight-*reales*

Colony	A	B [a]	C	D
England (reference)	-	24	54d	108
New Hampshire	1765	18	72d	108
Massachusetts	1750	18	72d	108 [d]
Rhode Island	1753			
	1763	18	72d	112[d]
Connecticut	1753	[e]	72d	112[d]
New York	1750	12	96d	
1753	1753	14	96d	96 [d]
1787	1787	20 [f]		106
New Jersey	1750	15	90d	
Pennsylvania	1698	12		
	1741	15	90d	
	1750	15	90d	
	1753			112½ [d]
	1787	15		
Maryland	1754	18	90d	
Virginia [h]	1770	24	69d	As it goes in England
	1774	24?		
North Carolina [b]	1768	12	96d	
South Carolina [b]	1775	-	390d	
Georgia [c]	1735	24	54d	
Halifax, NS	1753	21½	60d	120 [d]
Vermont [g]	1785	18	72d	108
Vermont	1787	-	72d	-

[a] Both regal and counterfeit halfpence, which were tokens, passed by tale “without discrimination” at the same value. This was the source of the problem; lightweight counterfeit halfpence were so plentiful,

<sup>154</sup> *Journals of the House of Burgesses* 1766-1769, Nov. 22, 1769, quote pp. 278-79. (Not to be confused with the earlier seventeenth-century governor, William Berkeley.)

<sup>155</sup> *Journals of the House of Burgesses* 1770-1772, May 25, 1770, pp. 16-17.

<sup>156</sup> Table modified from Mossman, *From Crime to Punishment*, Table 5.4, p. 135.

they could not maintain their assigned relationship to the Spanish dollar standard and were devalued by market forces, especially in 1789.

[b] Much less is known about the role of coppers in the south. South Carolina suffered an immense inflation starting in 1717. In 1775, the exchange rate was £100.00 sterling to £758.67, South Carolina currency.<sup>157</sup>

[c] Georgia was a crown colony where the Spanish standard had the same sterling rate as in England.

[d] This was the customary exchange in 1753 as reported in *The Independent Reflector*,<sup>158</sup> but values may have varied from the official rate due to local market forces and conditions.

[e] No official rate for the value of halfpence was ever established in Connecticut.

[f] By legislative act of August 21, 1787.

[g] Value established Oct. 26, 1785, but repealed two years later (*Ver. Gaz.*, vol. iii, #131, Dec. 5, 1785, and *Ver. Jour.*, Jan. 7, 1788, vol. iii, #119).

[h] Nothing is known about the rate of English coppers except up to 1727 they would have passed "as they do in England." Virginia halfpence were to pass at 24 to the Virginia shilling.

Then on May 20, 1773, some 167 years after Virginia's original charter had first promised their own coinage, the Crown finally approved their repeated requests for their own copper halfpence. These well-made coppers, to be struck in the Tower Mint, were to weigh 60 to the pound (116.6 grains each) and pass at 24 to the Virginia shilling.<sup>159</sup> The shipment arrived in America on February 14, 1774, but distribution was delayed until royal permission was received one year later, or only 50 days prior to the start of the

Revolutionary War. Consequently, the Virginia halfpence were hoarded and saw little circulation until after hostilities had ceased. Virginia halfpence obviously did circulate since many have been recovered in the excavations and restorations at Colonial Williamsburg. The availability of brilliant, uncirculated specimens today is because of the cache of uncirculated coins that came into the possession of Colonel Mendes I. Cohen of Baltimore sometime around 1870.<sup>160</sup>

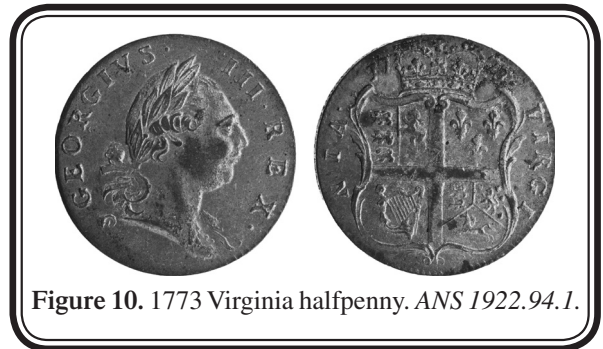


Figure 10. 1773 Virginia halfpenny. ANS 1922.94.1.

Whereas the Virginia halfpence were to circulate at 24 to the local shilling, in the other colonies tremendous numbers of both genuine and lightweight Birmingham counterfeit English halfpence had been circulating "without discrimination" for years at an equal rate but whose value was expressed in the local monies of account according to the local monetary standard established by the Spanish-American eight-*reales*. For example, in Massachusetts, where local money was passing at the Lawful Money rate ("LM" which was inflated over sterling by 33.3% as per the Proclamation of 1704), the Spanish-American eight-*reales* or "dollar" was worth 6s, local money, or 72d. Thus in Massachusetts, and similar colonies, there were 18 halfpence, or nine pence, to the Massachusetts shilling. In New York, and colonies with a similar inflated exchange rate, an eight-*reales* was worth 8s local money and an English halfpenny was worth only 14 to their shilling, or 7 pence. Looking at it another way, if one were in England and wanted to buy a full weight eight-*reales*, one would need to spend 54d, sterling, whereas in Massachusetts, the price would be 72d local money, but in New York, where the eight-*reales* standard was inflated by 77.7% over sterling, an eight-*reales* would cost you 96d. Within all the colonies but Virginia and Georgia, prior to the Revolutionary War, English coppers, i.e. farthings and halfpence,

157 McCusker, *Money and Exchange*, p. 223.

158 May 24, 1753, xxvi, p. 103.

159 Royal Proclamation, November, 16, 1774.

160 Newman, *Coinage for Colonial Virginia*, *passim*. This excellent monograph covers all aspects of this coinage. See also, Bowers, *Colonial and Early American Coins*, pp. 64-68 and Moore, Anthony and Newman, "Virginia Halfpence Variety Update."

were valued by the same system as silver and gold, but for the crown colonies of Georgia and Virginia, copper passed “at the like rates it doth pass in Great Britain,” a rate reconfirmed in the royal proclamation published February 23, 1775.<sup>161</sup> The problems encountered with the colonial circulation of English coppers, both genuine and counterfeit, is a complex subject beyond the scope of this present study.<sup>162</sup>

**Table X: Analysis of 96 coppers reported by Thomas Kays  
from the Chesapeake Bay region between the Rappahannock and James Rivers.<sup>163</sup>**

	Regal Coppers				M.M.	G.M.	Counterfeit		
Monarch	¼d	½d	1d	2d	-	-	¼d	½d	Total
George III		9		1	1		1	17	29
1773 Virginia		18							18
George II	1	14						12	27
George I		3							3
William III		2							2
William and Mary		1							1
James II						1			1
Charles II	6			1*					7
Charles I	3								3
James I	2								2
Elizabeth I		1**	2**						3
									96

\*Scottish turner (two pence).

\*\* Irish halfpenny and penny.

The status of regal English coppers and Birmingham counterfeits in Virginia is unclear until confirmatory written evidence is uncovered.<sup>164</sup> Thomas Jefferson, himself, was quoted as reporting in 1791, “In Virginia, coppers have never been in use”<sup>165</sup> but this is inaccurate because both Tower Mint and Birmingham counterfeits have been recovered in Virginia. Of those 39 coppers recovered during the restoration of Colonial Williamsburg reported by Newman, two-thirds were 1773 Virginia halfpence while the remaining 17 coppers ranged from Charles II to George III with about two to three examples from each individual reign.<sup>166</sup> In a survey by Thomas Kays of 96 pre-Federal copper coins recovered near the Chesapeake Bay region in an area roughly between the Rappahannock and James Rivers (Table X), 19% (18) were 1773 Virginia halfpence, while 30% (29) were George III coppers of which two-thirds (18) were counterfeit. Of the 27 coppers from the era of George II, 55% were genuine halfpence and 45% fake. Of the 22 (23%) coppers minted from 1601 to 1727, spanning the end of the reign of Elizabeth I through George I, all were genuine with half of them early farthings. At a different

161 *Virginia Gazette* (Pinkney edition) Feb. 23, 1775, and Hening, *Laws of Virginia*, vol. iii, chap. x, Oct. 1710, p. 503.

162 See Mossman, *Money*, chap. 8.

163 These coppers span the reigns of ten monarchs (first column); four denominations (¼d, ½d, 1d, 2d next four columns); eighteen 1773 Virginia halfpence; one Machin's Mills imitation halfpenny (M.M.); a single Irish Gun Money (G.M.) Thirty counterfeit George III and George II coppers are listed in the last columns. Data courtesy of Thomas Kays.

164 In eighteenth-century New England, New York and Pennsylvania newspapers there are many contemporaneous reports concerning the local circulation of both genuine and counterfeit English coppers, but none for Virginia.

165 *A.S.P.F.*, vol. i, p. 106.

166 Newman, *Colonial Virginia*, p. 33.



site in Clarke County in the northern Shenandoah Valley, another metal detectorist uncovered a 1781-dated George III imitation halfpenny in 2007,<sup>167</sup> which all leads to the observation that Thomas Jefferson notwithstanding, English coppers did circulate in Tidewater Virginia. In addition, a few Confederation coppers from northern states have been recovered.

### Virginia Paper Money

To this point in the discussion of money used in colonial Virginia, the emphasis has been on tobacco as a commodity money, foreign specie coins obtained from external trade, and finally the arrival of Virginia's own, long-awaited copper halfpence, too little and too late, as an aid in small change transactions. The other colonies had gone through a similar monetary evolution except all others had adopted paper currency to help them over their economic hurdles, almost invariably necessitated by the preparation for, or the conduct of, war. Since colonial governments were forbidden by Parliament to coin or print money, these early paper emissions were fiscal instruments designed to borrow capital to bankroll specific provincial initiatives such as building bridges, courthouses, jails, lighthouses, forts, and to support the military, the initial prompt for the first 1690 Massachusetts paper. Such colonial "bills of credit" were not a currency secured by monetary reserves, but rather temporary loans redeemable to the bearer either by anticipated tax revenues or, as in the case of land office notes, backed by the mortgaged real estate of qualified borrowers, in what Benjamin Franklin referred to as "coined land." These bills of credit were a time-sensitive domestic currency with specific redemption dates when the notes were to be called in and burned, or otherwise canceled. As such, they could not be exported for foreign payments, the only exception to this arrangement being found in the crown colony of Georgia where their initial paper currency from 1735 to 1750 was actually government-issued bearer bills of exchange, or "sola" notes, drawn on actual funds deposited in England.<sup>168</sup> Maryland bills from 1767 to 1774, denominated in dollars, although not legal tender, were payable in bills of exchange drawn and payable in London.<sup>169</sup> Some bills were interest-bearing while others offered a 5% premium if used by their holders to pay taxes.

Virginia was able to forestall the issuance of paper money to expand their circulating medium of exchange until the French and Indian War (1754 to 1763) broke out on land she claimed in Western Pennsylvania.<sup>170</sup> The first emission of bills of credit was authorized in May 1755 by legislation in which it was claimed that due to a "great scarcity of gold and silver," money from taxes could not be collected in adequate time to meet the colony's current wartime expenses, hence £20,000 in treasury notes were issued, redeemable in one year at an interest rate of 5%. These initial notes were "lawful tender" for all debts except "his majesty's quit-rents"<sup>171</sup> and were soon followed by a second interest-bearing emission of £40,000 due in June 1760. John Robinson, the Colonial Treasurer and Speaker of the House of Burgesses, about whom we shall hear more later, was placed in full charge of all matters concerning the management of this paper money. Of interest, Robinson was voted by his colleagues to receive a salary calculated at 0.1% of the treasury notes issued.<sup>172</sup> These initial notes were uniface

167 Jackson, *CNL* 2007.

168 Newman, *Paper Money*, pp. 11, 131; McCusker, *Money and Exchange*, pp. 227-28. The name, "sola," refers to the fact these bills were designed to circulate as currency and, as such, only a single "sola" copy of each was issued rather than in duplicate or triplicate as was the practice for commercial bills of exchange where any surviving bill was negotiable. Since these "sola" bills were payable in London, they passed in commerce at, or close to, sterling.

169 Newman, "Earliest Money," pp. 171-73.

170 Recall the incident of George Washington and Braddock's Defeat (July 9, 1755) which propelled our first president to fame.

171 "Quit-rents" were payable to the king in sterling only and not colonial paper.

172 Henning, *Virginia Laws*, vol. vii, chap. i, art. xii, March 1758, p. 168.



**Figure 11.** This £3 uniface Virginia note of the October 12, 1758 emission was printed on rather frail, thin paper as its current condition attests. Its legends declare its denomination in three ways: "Twelve Crowns," "Three Pounds," and "Sixty Shillings." Since this emission was redeemable by October 20, 1769, almost everyone would have been turned into the Treasury making this example, although repaired, a significant rarity. *Courtesy of Stack's Bowers Galleries.*

printed in black ink on thin laid paper<sup>173</sup> from a typeset text with different cast cuts for borders and designs. It was the government's strategy to issue successive banks of time-sensitive notes with specific redemption dates at which time they would be recalled and burned so that there would not be an excessive amount of money in circulation to encourage inflation. When it was found "to be very burdensome" to have interest-bearing notes "of different value circulating at the same time," it was voted to recall and redeem all outstanding notes as of December 1, 1757, with interest paid to that date. Rather than it being the complexity of dealing with a variety of interest-bearing paper money that was the obstacle, it appears that the real reason for the recall of old bills and the reissuance of new was actually prompted by the large numbers of 1755 counterfeits flooding the market. In fact a well-regarded citizen, William Ball, a Justice of the Peace and member of the House of Burgesses representing Lancaster County, found himself in a predicament in October 1758 when he was convicted of knowingly passing a counterfeit bill, probably one of those abundant ten shilling fake notes of 1755. His punishment was not recorded but he was expelled from the House, never to be readmitted. It is not recorded whether a worse fate was awaiting him since the death penalty had been prescribed since May 1755 for anyone either counterfeiting or altering the new Virginia paper money or knowingly passing the same.<sup>174</sup> When the French and Indian War was coming to an

<sup>173</sup> In the paper manufacturing process, a single sheet of paper pulp is dried on a wire sieve-like mold which imparts a visible pattern of parallel lines on the finished product acting as a watermark.

<sup>174</sup> Henning, *Virginia Laws*, vol. vi, chap. ii, art. xv, May 1755, pp. 468-69; Scott, "Counterfeiting in Colonial Virginia," pp. 10-12.

end, no new Treasury bills were issued after October 1762 and all outstanding notes were to be called in by October 1769.

In the meanwhile, Robinson held the dual posts of both colonial Speaker and Treasurer until his death on May 1766. Six months after the death of Robinson, who had been granted *carte blanche* powers to manage the treasury, the official treasury records, which had not been balanced for years, were subjected to closer scrutiny. It was revealed that several of Robinson's close associates and supporters had fallen on hard times during the war, especially following the poor tobacco crops of 1755 and 1758 with greatly reduced exports in 1756 and 1759. Although these planters, including Robinson, were otherwise "wealthy," they were cash-poor since their liquid assets had dried up, escalating their personal debts owed to English and Scottish merchants. To tide himself over and to assist his friends who were "Persons in great Distress," it was discovered that Robinson had not only lent them money from the treasury but also "borrowed" some redeemed notes that had been returned to the treasury for burning. Another source of Robinson's generosity towards his friends was to grant them a portion of the tax money that had been collected by the sheriffs for the redemption of the expired treasury notes before it had been officially deposited. After months of investigation by the committee appointed by the House of Burgesses to investigate this embezzlement, it was concluded that the decedent's estate owed the "Public" £102,019 5s 7d in Virginia currency.<sup>175</sup> Even after the liquidation of Robinson's estate, only about £21,000 was repaid to the treasury and the identities of "the anonymous beneficiaries of Robinson's scheme" were never revealed. Unfortunately, in only a few instances were sufficient paper trails connected to these "loans" thereby making any future legal recourse for the collection of these sums difficult to impossible.<sup>176</sup> Robinson was considered a wealthy man holding 17,406 acres of land, 283 slaves, and 877 head of various livestock divided among five plantations and property lots and businesses in Jamestown.<sup>177</sup> Although the 17,406 acres sounds staggering in today's terms, in 1770 the value per 100 acres was quoted at £3 Virginia currency, making these combined tracks worth only £522 in addition to the more valuable Jamestown lots and his business interests there.<sup>178</sup>

Despite the disgrace cast upon the treasury by the Robinson affair, Virginia's adventure into wartime paper money amounting to £539,962 10s was otherwise well managed.<sup>179</sup> There was minimal inflation during the wartime period (1754–1763), and, despite two catastrophic tobacco crops, the Virginia par of exchange on London starting at 127.55, when paper money was first issued in 1754, rose only to a maximum of 160.73 by war's end, and then settled down to the 1744 levels of 121.97 in 1769 when all paper was redeemed. This temporary 30% wartime blip in Virginia's foreign exchange was miniscule when compared to New England's paper money experience.

The next episode in the drama of Virginia paper money occurred in 1771 when £30,000 in treasury notes were issued to compensate holders of tobacco transfer notes whose crops, stored in public warehouses, were destroyed by spring rain and floods in four Virginia counties

---

175 "John Robinson Estate Scandal," [http://en.wikipedia.org/wiki/John\\_Robinson\\_estate\\_scandal](http://en.wikipedia.org/wiki/John_Robinson_estate_scandal). The order of magnitude of this £100,000 misappropriation translates into slightly more than \$10,000,000 in 2014 funds. (McCusker, *How Much is That in Real Money?*, pp. 38, 60, 70). See also "Paper Money in Colonial Virginia," *passim*.

176 *Journals of the House of Burgesses 1766-1769*, p. 280.

177 Detailed accounts of the Robinson affair are found in the *Journals of the House of Burgesses 1766-1769* (pp. xxiii - xxv, 280-82), listing the assets of the Robinson estate indicating he was a very wealthy man, at least in property.

178 *Journals of the House of Burgesses 1770-1772*, p. xxii.

179 Brock, "Colonial Currency," pp. 24-27; Some of the £539,962 10s in bills was withdrawn and reissued ("Paper Money in Colonial Virginia," p. 228).



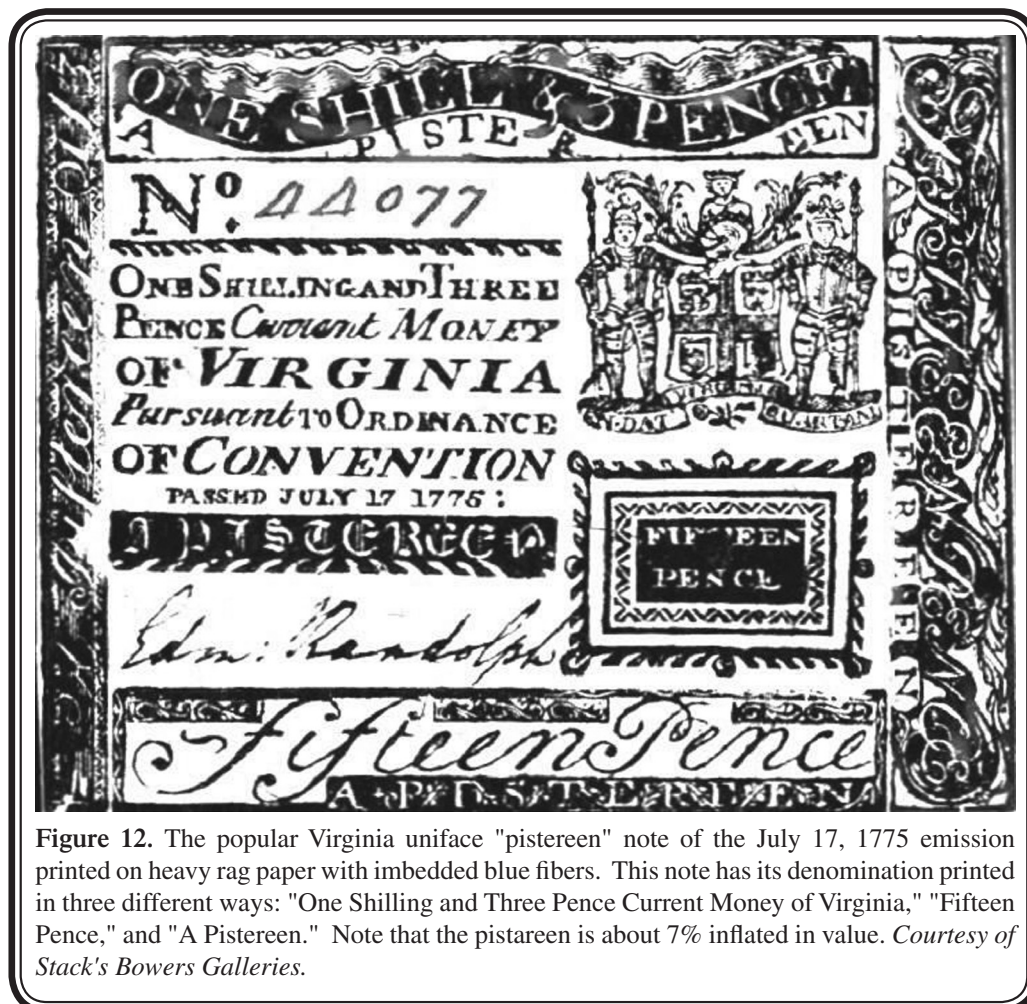


Figure 12. The popular Virginia uniface "pistreen" note of the July 17, 1775 emission printed on heavy rag paper with imbedded blue fibers. This note has its denomination printed in three different ways: "One Shilling and Three Pence Current Money of Virginia," "Fifteen Pence," and "A Pistreen." Note that the pistreen is about 7% inflated in value. *Courtesy of Stack's Bowers Galleries.*

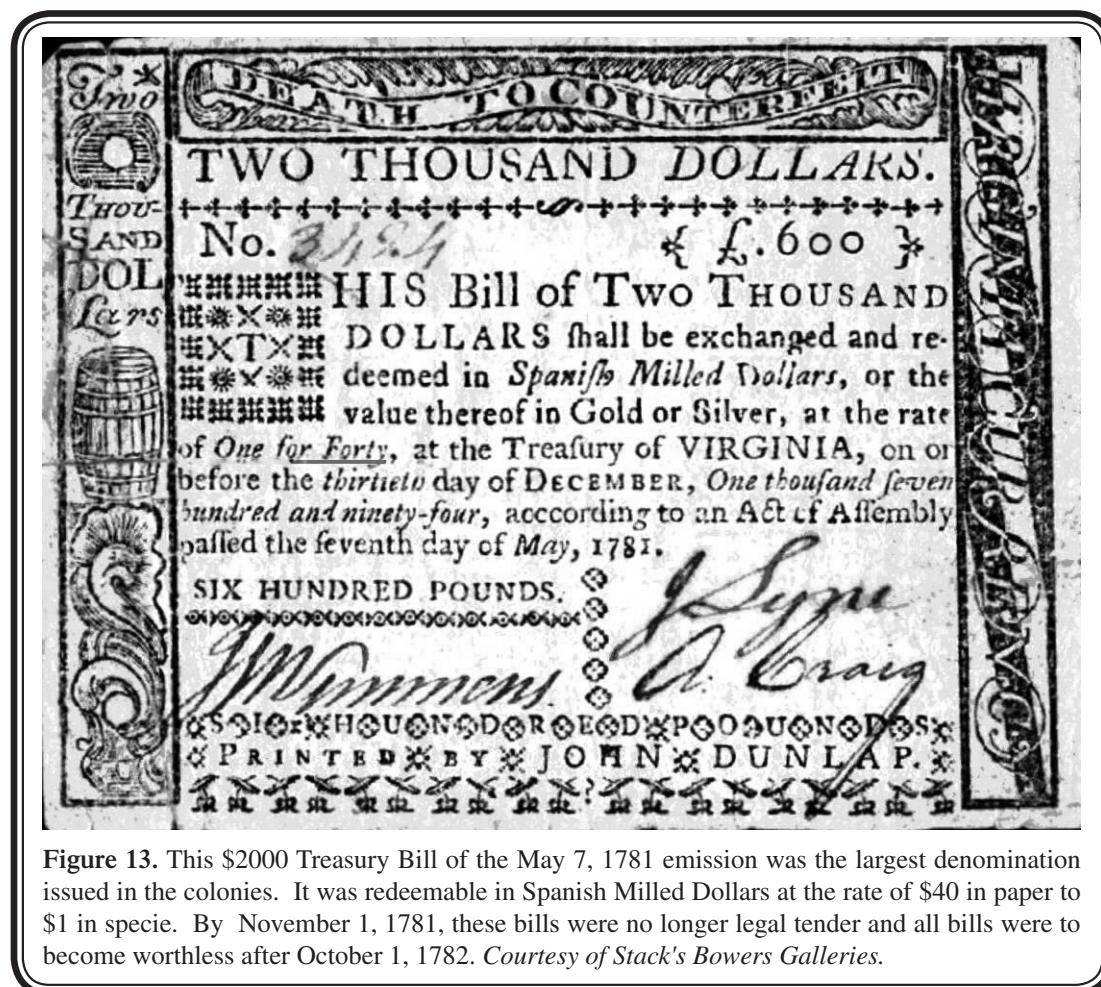
and by fire in another.<sup>180</sup> Then from the pre-revolutionary period in 1773 into the pre-federal era in 1781, the Virginia treasury printed some 20 emissions of paper money not all of which were legal tender. During the first two years, printing was hampered by the lack of proper paper requiring some clever improvisations. Many were printed on a heavy rag paper with blue fibers to discourage counterfeiting but after 1778, laid paper was again in use.<sup>181</sup> Until 1777, the money was variously denominated in current money of Virginia, Spanish-American milled dollars, and pistareens but after that date, all emissions were in dollars. The lower denominations of the July 17, 1775 and May 6, 1776 emissions, attract special interest since they are co-denominated in both Virginia money of account, 1s 3d (15 pence), and Spanish "pistareens" (misspelled). Although the pistareen was actually valued at 1s 2d [14d], Virginia money, this popular coin was rounded up to 1s 3d [15d] which made its relation to the next denomination, 2s 6d, an exact multiple of two. Beginning in 1779, there was progressive inflationary pressure (in Maryland and North Carolina also) which by mid-1780, had Virginia bills trading at 40 to 1, paper to Spanish-American dollars.<sup>182</sup> The legislated rates in May 1780 at which good merchantable tobacco, hemp, flax and flour were receivable for the payment

180 Newman, *Paper Money*, pp. 437-57, 441; Hening, *Virginia Laws*, vol. 8, chap. i, art. xx, July 1771, p. 501.

181 Stack's, *The Ford Sale*, Part III, pp. 279-83; Part XV, pp. 418-42.

182 In this context, the \$ refers to the Spanish-American eight reales "dollar" and not the decimal dollar of the federal system first instituted in 1792, where 100 cents equals one dollar.





of taxes (at the rate of one dollar specie to \$40.00, paper) was as follows: tobacco—£45 per hundred; hemp—£90 per hundred; good swingled<sup>183</sup> flax—£1 4s per pound; and good fine flour, £38 per hundred.<sup>184</sup> In November 1781, all bills were called for redemption at the exchange rate of \$1,000 paper to \$1 specie before being declared worthless in October the following year.<sup>185</sup>

After October 1782, the Assembly had to devise an immediate plan for the payment of taxes now that circulating paper money was no longer an option. (Table XI) The following alternatives were enacted under a rather complicated scheme: of interest they allowed that one-tenth of the land tax be receivable in either Virginia or Federal bills of credit after which the notes would remain in the treasury and be burned. Payment for remainder of the tax bills, land and otherwise, would be receivable in various combinations and proportions of specie, tobacco, hemp, flour, and tobacco transfer receipts or notes. What is most interesting to this present paper is the House of Burgesses actually enumerated the weights and values of circulating gold coins—a measure they had never done, or were allowed to do, before.

183 Swingled, adj. hemp or flax beaten and scraped with a flat-bladed wooden instrument to remove coarse matter.

184 Hening, *Virginia Laws*, vol. x, chap. x, art. iv, May 1780, p. 245.

185 Newman, *Paper Money*, pp. 436-55, 473, 480-81.

**Table XI: 1782 table indicating the acceptable weights of gold coins and the allowance for taxes.<sup>186</sup>**

Coin	Weight	Rate/dwt	Allowable for taxes
Johannes	18 dwt	5.33s/dwt	£4 16s 0d
Half-Johannes	9 dwt	5.33s/dwt	£2 8s 0d
Guineas, English or French	5 dwt 6 gr	5.33 s/dwt	£1 8s 0d
Half-guineas	2 dwt 15 gr	5.33s/dwt	14s
Moidores	6 dwt 18 gr	5.33s/dwt	£1 16s 0d
Doubloons	17 dwt	5.29s/dwt	£4 10s
<i>Pistoles</i>	4 dwt 6 gr	5.29s/dwt	£1 2s 6d

Inflation was not Virginia's only paper money problem! Ever since the first issues in 1755, counterfeiting had run rampant despite the fact that "The death penalty could no more deter people from forging paper notes than it could keep them from coining [counterfeit silver and gold]." Anti-counterfeiting measures with marked paper (embedded blue threads and mica flakes) and purposeful misspellings were to no avail in assuring the identification of legal notes. The treasury officials entrusted with printing the notes were authorized and encouraged to obtain the best paper possible from Great Britain. Bills with anything pasted on the back would not be redeemable since that was a common scam to disguise and pass counterfeits.<sup>187</sup> By 1773, "Business in the colony was almost paralyzed by the general distrust of the currency" of which two-thirds of the circulating bills was estimated to be counterfeit [both coins and paper]. Even George Washington's manager at Mount Vernon refused to receive "one farthing" in payment for legitimate debts owed the plantation since "there was so much bad money." A personal I.O.U. was preferred. The situation became really desperate when Marylanders would not enter their steeds in a 400-guinea event at a Virginia racetrack because of the risk of receiving counterfeit Virginia prize money!<sup>188</sup> Genuine Virginia bills of credit are a rarity since the vast majority were redeemed by their owners, and presumably burned. By actual count, Eric Newman catalogued 33 separate paper money emissions from 1755 to 1781 containing some 237 individual issues.<sup>189</sup> Of the 61 issues from 1755 to 1773, there were 17, or 28%, known to have contaminated with counterfeits. Then from 1773 to 1781, where there were 176 issues, only two more counterfeited issues were identified. Did this difference reflect an improved printing technology that frustrated counterfeiting or had people lost their confidence in paper money?

Then, effective January 1, 1793, the final Virginia law concerning the rate at which all gold coins were to pass current (Table XII) was enacted but these provisions were more theoretical than actual since in another month, the Federal Congress, on February 9, 1793, passed legislation regulating all foreign coins.<sup>190</sup> At the same time, it was approved by the Assembly that any laws of the Commonwealth of Virginia expressing money in pounds, shillings and pence, shall now be amended into dollars and cents, and where any quantity of tobacco was concerned, it should be converted into dollars and cents at the rate of two dollars per hundredweight.<sup>191</sup> However, this monetary change into Federal denominations was a slow process with people still calculating in the pounds, shillings, and pence of their youth well into the mid-nineteenth

<sup>186</sup> The Spanish-American Doubloons and Pistoles are slightly reduced in value because their gold standard had been reduced by one-quarter carat in 1772 (Hening, *Virginia Laws*, vol. xi, chap. viii, art. iv, Oct. 1782, pp. 117-19). This is the first Virginia table specifying both official weight and rate.

<sup>187</sup> Hening, *Laws of Virginia*, vol. viii, chap. i, art. v, March 1773, pp. 649, 650.

<sup>188</sup> Scott, "Counterfeiting in Colonial Virginia," *passim*, quotes pp. 11, 18, 28.

<sup>189</sup> Newman, *Paper Money*, pp. 437-56.

<sup>190</sup> Hening, *Laws of Virginia*, vol. xiii, chap. xvii, Oct. 1792, p 477.

<sup>191</sup> Hening, *Laws of Virginia*, vol. xiii, chap. xxviii, Dec. 28, 1792, p 533.

A TABLE of the Weight and Value of Coins as they pass in the respective States of the Union, with their Sterling and Federal Value.

Names of Coins.	Standard Weight.	Sterling Money of Great Britain.	N. Hamp. Massachus. R. Island, Connecticut Virginia.	New York & North Carolina	N. Jersey, Pennsylv. & Delaware Maryland	S. Carolina & Georgia.	Feder. value			
							Eagles.	Dolls.	Cents.	Mills.
	dwts. gr.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	E.	D.	C.	M.
An English Guinea,	5 6	1 1 0	1 8 0	1 17 0	1 15 0	1 1 9	0	4	6	6 7
A French Guinea,	5 5	1 1 0	1 7 6	1 16 0	1 14 6	1 1 5	0	4	6	0 0
A Johannes,	18 0	3 12 0	4 16 0	6 8 0	6 0 0	4 0 0	1	6	0	0 0
An Half Johannes,	9 0	1 16 0	2 8 0	3 4 0	3 0 0	2 0 0	0	8	0	0 0
A Moidore,	6 18	1 7 0	1 16 0	2 8 0	2 5 0	1 8 0	0	6	0	0 0
A Doubloon,	16 21	3 6 0	4 8 0	5 16 0	5 12 6	3 10 0	1	4	9	3 3
A Spanish Pistole,	4 6	0 16 6	1 2 0	1 9 0	1 8 0	0 18 0	0	3	7	7 3
A French Pistole,	4 4	0 16 0	1 2 0	1 8 0	1 7 6	0 17 6	0	3	6	6 7
A French Crown,	19 0	0 5 0	0 6 8	0 8 9	0 8 4	0 5 0	0	1	1	1 0
A Dollar of Spain,	17 6	0 4 6	0 6 0	0 8 0	0 7 6	0 4 8	0	1	0	0 0
An English Shilling,	3 18	0 1 0	0 1 4	0 1 9	0 1 8	0 1 0	0	0	2	2 2
A Pistareen,	3 11	0 0 10 4	0 1 2	0 1 7	0 1 6	0 0 11	0	0	2	0 0

All other gold Coins, of equal Fineness, are valued at 89 Cents per Pennyweight, and all other silver Coins, of the same Fineness, at 111 Cents per Ounce.

Figure 14. Samuel Sauer's Philadelphia exchange table of 1793 listing all the State, Federal, and Great Britain values. Note how the weight of the Spanish-American eight-*reales* is now 17 dwt grains, or 414 grains versus the mint weight of 420 grains, and the English guinea is 126 grains down from 129.4. Whereas the LM values are theoretically only advanced 33.3% over sterling, they are actually more since the weight of the coins passing in commerce has been reduced due to clipping and perhaps some slight wear. The "standard weight" of the coins in column two is lighter than the assays done at the Tower Mint and reflects the fact that most of the coins have been clipped. Virginia is now grouped with the New England States since all have adopted the "Lawful Money" relationship of 100.00:133.33, money of account to English sterling. Virginia is now grouped with the New England States. *Courtesy of the Eric P. Newman Numismatic Education Society.*

century. Exchange tables, such as Figure 14, were expressed together in sterling, in the holdover colonial monies of account, and Federal denominations considering that many foreign specie coins remained legal tender in the new United States until 1857.

Table XII: Value of full weight coined money in Virginia effective on January 1, 1793.<sup>192</sup>

Coin	Weight (a)	Rate/ dwt (b)	VA value (c)	LM (d)
Spanish <i>pistoles</i>	104.0	5s 4d	£1 2s 3¾d	£1 8s 0d
Spanish doubloons	417.6	5s 4d	£4 8s 7d	£4 8s 0d
French guinea	125.9	5s 4d		£1 7s 6d
Portuguese <i>Moidores</i>	83.0	5s 4d		£1 16s 0d
English guineas	129.4	5s 4d	£1 7s 6¾d	£1 8s 0d
Portuguese <i>Johannes</i>	442.6	5s 4d	£4 14s 6d	£4 16s 0d
Portuguese half-joes	221.1	5s 4d	£2 7s 3d	£2 8s 0d
German <i>Carolins</i>	149.7	4s 10d	£1 10s 0d	
Spanish eight- <i>reales</i>	420	by tale	£0 6s 0d	£0 6s 0d
Pistareen (e)	94.6	-	£0 1s 2d	£0 1s 2d

<sup>192</sup> The LM (Lawful Money) rate is for the New England states and Virginia from Samuel Sauer, Philadelphia, 1793.



- (a) Weights for gold coins are their authorized values, realizing that many had been diminished by unlawful clipping.
- (b) New rate prescribed by 1793 law.
- (c) Theoretical maximum value based on undiminished mint weight. Market value would be determined by actual weight (on a scale) times this newly authorized rate of 5s 4d.
- (d) LM (Lawful Money) at a rate 33.3% greater than sterling.
- (e) The pistareen at .8333 fine silver was valued at five to the eight-*reales* 1s 2.4d.

### The Westward Expansion of Virginia

Many history books concentrate on the settlement of Tidewater Virginia and make short shrift of the western expansion of the colony. By 1716, all the settlement had been along the coast and the four eastern rivers with no organized counties beyond the 78° meridian, which interestingly passes through the present City of Culpeper. The foothills of the Blue Ridge marked the beginning of Native American hunting grounds beyond which no settler was welcome. One author stated that the Blue Ridge Mountains and Shenandoah Valley had not even been discovered, to say nothing of being explored, until August 1716 when Governor Spotswood led a troop of about 50 persons into the region near the present-day valley town of Port Republic.<sup>193</sup> This newly “discovered” area was opened in 1728 by the next governor, William Gooch (1741–1749), to German and Scots-Irish pioneers<sup>194</sup> immigrating down from Pennsylvania whose resettlement was encouraged by granting the newly arrived aliens letters of naturalization. Not only was the land in this region very different from eastern Virginia, but so were its new residents who arrived with different social traditions, religion and allegiance. Apprehensive about the unpredictable disposition of the Native Americans who frequented the region, Gooch was very happy to create a buffer-zone of Scots-Irish Presbyterians and German Lutherans as a first line of defense against any possible Indian incursions, or as one author so aptly stated, it was Governor Gooch’s policy to settle the western lands with Non-conformist “tomahawk fodder.”<sup>195</sup>

By November 1738, a great number of people had settled west of the Blue Ridge mountains. In a measure to strengthen the colony’s security and increase “his majesty’s revenue of quit-rents,” it was enacted that the part of Orange County lying northwest from the summit of the mountains “to the utmost limits of Virginia” be formed into two counties, Augusta and Frederick. Tobacco currency was not well suited for this new region where coined money was more available since the area was essentially a satellite of Pennsylvania where the new settlers still had connections both through their extended families and church affiliations. Due to the remote location of the new counties, the new arrivals were exempted from [parish] levies for ten years, and allowed “at all times thereafter” to pay “all public dues” and fees in money rather than tobacco at the rate of three farthings per pound of tobacco.<sup>196</sup> Since the salary of Anglican parish ministers had been set at 16,000 lbs. of tobacco plus cask (1696), the three-farthing rate was found to be insufficient for the non-conformist valley pastors and thus their annual compensation was raised to £100 money.<sup>197</sup>

It was quickly evident that the valley soils would not support marketable tobacco but were well suited for growing wheat and hemp, similar to the exhausted fields of the large tobacco

193 Peyton, *History of August County*, pp. 23-24.

194 See MacMaster, “Ulster-Scots in Virginia,” *passim*.

195 Lewis, *West From Shenandoah*, pp. 99-108. 180-81. A Non-conformist is a Protestant who does not observe the doctrines of the Church of England who, in early Virginia, were intolerant of other Protestant groups.

196 Hening, *Laws of Virginia*, vol. v, chap. xxi, Nov. 1738, pp. 78-80; *Journals of the House of Burgesses 1727-1740*, p. xxxi.

197 Hening, *Laws of Virginia*, vol. vi, chap. viii, Nov. 1753, p. 270.



plantations such as Mount Vernon; hemp was a very desirable export crop required for cordage manufacture, especially in England. In 1748, hemp warehouses, similar to those for tobacco, were ordered built in Frederick and Lunenburg Counties, obviously placing one of them in the Shenandoah Valley which, in the period 1765 to 1783, became the major hemp producing area before and during the Revolution.<sup>198</sup> Farm produce and cattle raised in the valley could be more easily transported north and find ready markets in Philadelphia and Baltimore rather than making the arduous trip over the Blue Ridge Mountains until in later years when passable roads were carved from Staunton to Scottsville on the James River and thence to Richmond and the coast. In the 1760s, to facilitate the storage and marketing of the annual hemp, flax, and wheat harvests awaiting export, more public warehouses, operating under strict regulations, were constructed or rented similar to those for tobacco.<sup>199</sup>

Inspection certificates for deposited hemp and flour were issued but with the warning that counterfeiting, altering, or erasing any flour or hemp inspector's receipt or knowingly negotiating any such receipt was a felony punishable by death.<sup>200</sup> The government had the option to locate such facilities at "the heads of navigation." When all paper money was redeemed in November 1781, the planters and farmers had the choice to pay taxes in inspector's receipts given for "sound, clean and merchantable hemp" delivered to the warehouses provided at Alexandria, Fredericksburg, Richmond, Petersburg and West Point, or "in receipts for sound and merchantable flour" delivered at the aforesaid storage facilities.<sup>201</sup> Paper bills of credit were a thing of the past but commodity money was alive and well in government warehouses with the advice given to the colonial treasurer to "speedily" sell his stored goods.<sup>202</sup> The agricultural productivity of the Shenandoah Valley continued well into the next century where the region became famous as the "Breadbasket of the Confederacy."

### In Conclusion

Despite the mercantilistic policies imposed upon Virginia by the Lords of Trade, the colony eventually prospered as a substantial trading partner with its colonial neighbors and mother country and eventually was able to throw off the "yoke of colonialism." A recurrent theme within this paper has been introduced by the operative word "debt," actually used 29 times in any one of its orthographic forms, which describes one of the economic constraints under which the colony struggled on its path to succeed. But for one party to be in debt to another, implies that credit has been extended by someone else. Whereas the reader might be dissuaded upon reading about the debt owed by Virginia planters to merchants in Great Britain, history has shown that this debt was actually matched by growth-stimulating credit which allowed Virginia and her neighbors to prosper although most assuredly there were ups and downs in this evolution. So rather than to feel shackled by debt, consider the flip side of debt as credit, which can lead to opportunity.

The colonists saw themselves very inconvenienced by the scarcity of hard currency but, as the proverb, "necessity is the mother of invention," predicts there soon evolved a system of commodity money that compensated for this deficit, especially in domestic transactions. As I researched the actual workings of tobacco money—I sensed great frustration as I read about the plight of local artisans who wondered how a month's labor, settled in 1,200 pounds of cured tobacco, could feed their families. It could hardly have been any worse that the dilemma

198 Herndon, "Hemp in Colonial Virginia," p. 92.

199 Hening, *Laws of Virginia*, vol. viii, chap. xxvi, Nov. 1766, pp. 253-54.

200 Hening, *Laws of Virginia*, vol. xi, chap. lii, May 1782, pp. 92-93 and vol. xiii, chap. xlv, Oct. 1790, p. 169.

201 Hening, *Laws of Virginia*, vol. x, chap. xl, Nov. 1781, pp. 508-9.

202 Hening, *Laws of Virginia*, vol. xi, chap. viii, Oct. 1782, p. 119.

of Nicholas Norton, the Massachusetts farmer, who, after driving his lank cattle to the tax collector, heard they were unfit as a commodity and was told to lead them back home.<sup>203</sup> In New England, commodity monies were generally phased out by the end of the 1600s, whereas in Virginia, between a system of bonded warehouses, bookkeeping barter, and commodity notes, a method gradually evolved where tobacco currency became quite satisfactory, even surviving longer than bills of credit. To accompany tobacco money, small change coins would have been a great addition but unfortunately, this medium arrived too little and too late to be of much benefit to the overall economy.

To compensate for the shortage of Spanish-American silver which was the backbone of colonial hard currency, all the colonies made an effort to entice as much as they could into their own backyards, cling on to whatever they had in their local economies, and to increase the value of what little there was. "Crying-up" of money could accomplish all three of these objectives but Virginia was hampered in this practice because their English creditors did not want to risk receiving their debt payments in inflated coin. The Lords of Trade, and their successors, the Board of Trade, were writing the rules and it is evident that profits for the metropolitan merchants were their primary objective. Nonetheless, the value of the eight-*reales*, as clipped and weather-beaten as it was, gradually advanced to almost to the maximum allowed by the Proclamation of 1704 even though it would appear that Virginia was never able to attract adequate silver into the colony. In reviewing the legislative acts passed by the Assembly and the minutes of the House of Burgesses, there existed many unanswered questions, at least to this latter-day observer, in their management of the currency, although fully recognizing that some of their proposed laws were disallowed by the ever-vigilant Privy Council and its minions who were active players on the other team.

This story of the money of colonial Virginia needs to be repeated twelve more times to get the complete picture of the condition of the economies and currency of the thirteen eventual states of Federal America. The fact that little hard money jingled in colonists' pockets really didn't make much difference in the long run. As counter-intuitive as it may seem, not all "money" is struck in a mint since in Virginia most of it was grown in tobacco fields and a large portion dwelt in the credit columns of some bespectacled bookkeeper's double-entry ledger in far-away London. Unsecured Virginian bills of credit also played a role although much later in the game when compared to their neighbors. This whole question of "how much money was enough money" for a struggling colony to prosper has been the bane of generations of historians and economists. In their analysis of the colonial money supply, historians John J. McCusker and Russell R. Menard make the following assessment:

A central question is whether the Money Supply of the colonists was "adequate." To be adequate for the purposes of an economy, money must be both available in sufficient quantities and of a recognized standard to facilitate rather than inhibit its use in the exchange of goods and services. The total quantity of money available to the colonists is unknown since contemporary or modern estimates are few and never include all forms of money. Some speak of the supply of coin, some of public paper, some of both; all omit commodity money and private paper.<sup>204</sup>

In Virginia we remember tobacco.

<sup>203</sup> Felt, *Mass. Currency*, pp. 37-39.

<sup>204</sup> McCusker and Menard, *Economy of British America*, p. 338.

---

### Acknowledgements

I have already acknowledged the assistance provided me by Tom Kays and Lou Jordan. For several years, Tom has been studying the coinage of Virginia and the contribution of his research to this present paper is greatly appreciated. His published paper on this subject, "When Pistareens Cut Their Way Through the Tobacco Colonies," was printed in 2001 when I was editor of *The Colonial Newsletter*. Three years earlier, I had the privilege to print John Kleeberg's 1998 article of equal stature, "A Coin Perfectly Familiar to Us All: The Role of the Pistareen." The story of the pistareen has been well introduced into colonial numismatics by these two classics. This present article just adds more to the story of the coin which in 1993 I considered "an unsung hero" of colonial currency.<sup>205</sup> For many years, Lou Jordan, from his professional position at the University of Notre Dame, has shared with me literary sources and reference material pertaining to numismatics. For this present paper, among several other books and papers, he provided Hening's thirteen volume set of *The Statutes at Large Being a Collection of All of the Laws of Virginia* which has been my constant companion for several months. As a proofreader, he not only found my "cut and paste" errors, but added the insights of a numismatic historian, who in his own right, is an accomplished author. In the mid-80s, when I started work on *Money of the American Colonies and Confederation*, Professor John J. McCusker, presently the Ewing Halsell Distinguished Professor of American History and Professor of Economics at Trinity University, San Antonio, Texas, has been an ever-willing supporter answering my frequent inquiries about colonial economic history. This paper is no exception, especially in assisting me when I needed help in interpreting Virginia's historical records. Other thanks are owed to Leo Shane for providing contemporaneous exchange tables, and to Vicken Yegparian for the use of images from Stacks-Bowers Galleries. Similar thanks are owed to the Eric P. Newman Numismatic Education Society, The American Numismatic Society and the Library of Congress, Manuscript Division, for the use of items from their collections. Lastly, a thank you to Oliver Hoover for putting all of this together.

### References

A.S.P.F. = *American State Papers. Documents, Legislative and Executive, of the Congress of the United States* (Washington, 1832), Class 3, Finance, vols. 1, 2.

Anderson's *Rhode Island Almanack*.

Beer, *Old Colonial System* = George L. Beer, *Old Colonial System 1660-1754*, Part I, vol. i, (New York, 1912).

Beverley, *The History of Virginia, in Four Parts* = Robert Beverley, Jr., *The History of Virginia, in Four Parts*, 1st edition (London, 1705).

Beverley, *The History of Virginia, in Four Parts* = Robert Beverley, Jr., *The History of Virginia, in Four Parts*, 2nd edition (London, 1722).

Bickerstaff's *Boston Almanack* (1786).

Bond, "The Quit-Rent System," = Bond, "The Quit-Rent System in American Colonies," *The American Historical Review*, vol. 17, No. 3, Apr. 1912, pp. 496-516.

Bowers, *Colonial and Early American Coins* = Q. David Bowers, *Colonial and Early American Coins* (Atlanta, 2009).

<sup>205</sup> Mossman, *Money*, p. 61.

Brock, "Colonial Currency," = Leslie V. Brock, "The Colonial Currency, Prices, and Exchange Rates," *Essays in History*, vol. 34 (1992).

Bruce, *Economic History* = Philip Bruce, *Economic History of Virginia in the Seventeenth Century* (New York, 1907).

Cayón, *Las Monedas Españolas* = Adolfo, Clemente and Juan Cayón, *Las Monedas Españolas del Tremis al Euro del 411 a Nuestros Días* (Madrid, 2005), vol. i.

Chalmers, *British Colonies* = Robert Chalmers, *A History of Currency in the British Colonies* (1893, repr. 1972).

"Colonial Tobacco Economy," Jamestown-Yorktown Foundation, [historyisfun.org](http://historyisfun.org).

Crosby, *Early Coins* = Sylvester S. Crosby, *The Early Coins of America* (Boston, 1875, repr. 1974).

Cuhaj, *Standard Catalog* = George S. Cuhaj, ed., *Standard Catalog of World Gold Coins*, 6th ed. (Iola, WI, 2009).

Dalzell and Dalzell, *George Washington's Mount Vernon* = Robert F. Dalzell and Lee B. Dalzell, *George Washington's Mount Vernon* (New York, 1998).

Doty, *Dictionary of Numismatics* = Richard G. Doty, *The Macmillan Encyclopedic Dictionary of Numismatics* (New York, 1982).

Ernst, *Money and Politics* = Joseph A. Ernst, *Money and Politics in America: 1755-1775* (Chapel Hill, 1973).

Feavearyear, *Pound Sterling* = Albert Feavearyear, *The Pound Sterling, A History of English Money* (Oxford, 1963, 2nd ed.)

Felt, *Mass. Currency* = Joseph B. Felt, *An Historical Account of Massachusetts Currency* (Boston, 1839, repr. 1968).

Hatfield, *Altantic Virginia* = April Lee Hatfield, *Altantic Virginia; Intercolonial Relations in the Seventeenth Century* (Philadelphia, 2004).

Hemphill, *English Commercial System* = John M. Hemphill, *Virginia and the English Commercial System 1689-1733: Studies in the Development and Fluctuations of a Colonial Economy Under Imperial Control* (New York, 1985).

Hening, *Laws of Virginia* = William W. Hening, *The Statutes at Large Being a Collection of All of the Laws of Virginia* (New York, 1823).

Herndon, "Tobacco in Colonial Virginia," = G. Melvin Herndon, "Tobacco in Colonial Virginia: "The Sovereign Remedy," Project Gutenberg eBook (Nov. 1, 2008)

Herndon, "Hemp in Colonial Virginia," = G. Melvin Herndon, "Hemp in Colonial Virginia," *Agricultural History*, vol. 37, No. 2 (April, 1963), pp. 86-93.



Hoover, *Numismatist* 1953 = Richard T. Hoover, "Financial History of Colonial Virginia," *The Numismatist* (1953) pp. 1138-52, 1266-82.

*Ind. Reflector* = *The Independent Reflector* (New York City).

Jackson, *CNL* 2007 = Kevin Jackson, "Imitation 1781 British Halfpenny Recovered in Virginia," *CNL* 135 (Dec, 2007), pp. 3193-94.

Jefferson, "Notes on the State of Virginia," = Thomas Jefferson, "Notes on the State of Virginia," QUERY XXI. The Avalon Project at [http://avalon.law.yale.edu/18th\\_century/jeffvir.asp](http://avalon.law.yale.edu/18th_century/jeffvir.asp)

"John Robinson Estate Scandal," [http://en.wikipedia.org/wiki/John\\_Robinson\\_estate\\_scandal](http://en.wikipedia.org/wiki/John_Robinson_estate_scandal).  
Jordan, "Coinage in the English Colonies" = Louis E. Jordan, "Coinage in the English Colonies of North America to 1600," *Coinage of the Americas Conference, Proceedings* 16 (New York, 2006), pp. 185-287.

*Journals of the House of Burgesses 1702/3-1705;1705-1706;1710-1712* (Richmond, 1912)

*Journals of the House of Burgesses 1723-1734; 1736-1740* (Richmond, 1910)

*Journals of the House of Burgesses 1758-1761* (Richmond, 1908)

*Journals of the House of Burgesses 1766-1769* (Richmond, 1906)

*Journals of the House of Burgesses 1770-1772* (Richmond, 1906).

Kays, *CNL* 1998 = Thomas A. Kays, "When Pistareens Cut Their Way Through the Tobacco Colonies," *CNL* 116 (April 2001) pp. 2169-99.

Kelly, *Universal Cambist* = Patrick Kelly, *The Universal Cambist, and Commercial Instructor*, vol. 2 (London, 1811).

Kleeberg, "Circulation of *Leeuwendaalders*" = John M. Kleeberg, "The Circulation of *Leeuwendaalders* (Lion Dollars) in England's North American Colonies," *CNL* 154 (Aug. 2013), pp. 4031-4052.

Kleeberg, "A Coin Perfectly Familiar to Us All," = John M. Kleeberg, "A Coin Perfectly Familiar to Us All: The Role of the Pistareen," *CNL* 109 (Dec. 1998), pp. 1857-1877.

Lewis, *West From Shenandoah* = Thomas A. Lewis, *West From Shenandoah* (NP, 2004).

MacMaster, "Ulster-Scots in Virginia," = Richard MacMaster, "Ulster-Scots in Virginia, From Pennsylvania to Shenandoah," <http://www.ulstervirginia.com/ulsterscotsvirginia.asp>

McCulloch, *Dictionary of Commerce* = J. R. McCulloch, *A Dictionary of Commerce and Commercial Navigation* (London, 1852).

McCusker, *Money and Exchange* = John J. McCusker, *Money and Exchange in Europe and America, 1600-1775* (Chapel Hill, 1978).

McCusker and Menard, *Economy of British America* = John J. McCusker and Russell R. Menard, *The Economy of British America* (Chapel Hill, 1985).

McCusker, *How Much Is That In Real Money?* = John J. McCusker, *How Much Is That In Real Money?*, American Antiquarian Society 2nd ed. (Worcester, 2001).

"Merchant Account Books," *William and Mary College Quarterly Historical Magazine*, vol. 8, #2, Oct. 1899.

Moore, Anthony, and Newman, "Virginia Halfpence Variety Update." = Roger Moore, Alan Anthony and Eric P. Newman, "Virginia Halfpence Variety Update with Revised Die Interlock Chart," *CNL* 127 (April, 2005), pp. 2797-2806.

Mossman, *Money* = Philip L. Mossman, *Money of the American Colonies and Confederation*, Numismatic Studies No. 20, The American Numismatic Society (New York, 1993).

Mossman, *From Crime to Punishment* = Philip L. Mossman, *From Crime to Punishment; Counterfeit and Debased Currencies in Colonial and Pre-Federal America*, The American Numismatic Society, Numismatic Studies 27 (New York, 2013).

Mossman, *CNL* 2008 = Philip L. Mossman, "The Potosí Scandal and the Massachusetts Mint," *CNL* 137 (Aug. 2008) pp. 3289-3309.

Moulton, *The Library of Literary Criticism* = Charles Wells Moulton, ed., *The Library of Literary Criticism*, vol iii, (Buffalo, NY, 1902).

Nettles, *Money Supply of the American Colonies* = Curtis P. Nettles, *The Money Supply of the American Colonies Before 1720*, University of Wisconsin Studies in Social Sciences and History, vol. 20 (Madison, 1934; repr. New York, 1964).

Newman, *Coinage for Colonial Virginia* = Eric P. Newman, *Coinage for Colonial Virginia*, Numismatic Notes and Monographs No. 135, The American Numismatic Society (New York, 1956).

Newman, *Paper Money*, = Eric P. Newman, *The Early Paper Money of America*, 5th ed. (Iola, WI, 2008).

Oldmixon, *British Empire* = John Oldmixon, *The British Empire in America*, vol. 1 (London, 1708).

Oldmixon, *British Empire* = John Oldmixon, *The British Empire in America*, vol. 1 (London, 1741).

Palmer, *Calendar of State Papers* = William P. Palmer, *Calendar of Virginia State Papers and Other Manuscripts* (Richmond, 1875).

"Paper Money in Colonial Virginia," *The William and Mary Quarterly*, Vol. 20, No. 4, April 1912, pp. 227-62. [www.jstor.org/stable/1919333](http://www.jstor.org/stable/1919333)

Peck, *British Museum* = C. Wilson Peck, *English Copper, Tin and Bronze in the British Museum 1558-1958*, 2nd edition (London, 1970).

Peyton, *History of August County* = J. Lewis Peyton, *History of August County*, (1882) 2nd ed. (Harrisonburg, VA, 1953).

- Pike, *Complete System of Arithmetic* = Nicolas Pike, *A New and Complete System of Arithmetic* (Worcester, 1797).
- Ragsdale, "Washington and the Tobacco Trade" = Bruce A. Ragsdale, "George Washington, the British Tobacco Trade, and Economic Opportunity in Prerevolutionary Virginia" *The Virginia Magazine of History and Biography*, vol. 97, No. 2 (Apr. 1989) pp. 132-62.
- Ruggles, J., & the Dictionary of Virginia Biography. Robert Beverley (d. 1722). (2013, July 12). In *Encyclopedia Virginia*. Retrieved from [http://www.EncyclopediaVirginia.org/Beverley\\_Robert\\_ca\\_1667-1722](http://www.EncyclopediaVirginia.org/Beverley_Robert_ca_1667-1722).
- Salmon and Salmon, "Tobacco in Colonial Virginia" = E. J. Salmon and J. Salmon, "Tobacco in Colonial Virginia", (2013, January 29). In *Encyclopedia Virginia*. Retrieved from [http://www.EncyclopediaVirginia.org/Tobacco\\_in\\_Colonial\\_Virginia](http://www.EncyclopediaVirginia.org/Tobacco_in_Colonial_Virginia).
- Schilke and Solomon, *America's Foreign Coins* = Oscar G. Schilke and Raphael E. Solomon, *America's Foreign Coins* (New York, 1964).
- Scott, "Counterfeiting in Colonial Virginia" = Kenneth Scott, "Counterfeiting in Colonial Virginia," *The Virginia Magazine of History and Biography*, vol. 61, no. 1 (January, 1953) pp. 1-33.
- Shaw, *English Monetary History* = William A. Shaw, *English Monetary History 1626-1730* (1896, repr. 1967).
- Simon, *Irish Coins* = James Simon, *An Essay towards an Historical Account of Irish Coins* (Dublin 1749, repr. 1975).
- Stack's, *The Ford Sale*, Part III = Stack's, *The John J. Ford Collection* Part III (New York, May 11, 12, 2004).
- Stack's, *The Ford Sale*, Part XV = Stack's, *The John J. Ford Collection* Part XV (New York, Oct. 4, 2006).
- Van Gelder, *Nederlandse Munten* = H. Enno Van Gelder, *Nederlandse Munten* (Antwerp, 1965).
- Ver. Gaz.* = *Vermont Gazette or Freeman's Depository* (Bennington).
- Ver. Jour.* = *Vermont Journal, and the Universal Advertiser* (Windsor).
- Vickers, *Colonial America* = Daniel Vickers, ed., *A Companion to Colonial America* (Malden, MA, 2003).
- Virginia Encyclopedia*, <http://www.encyclopediavirginia.org/>
- Volk, "Accounting Methods" = Albert Voke, "Accounting Methods of the Colonial Merchants of Virginia," *The Journal of Accountancy*, vol. 41, #7 (July 1926).
- White, *Money and Banking* = Horace White, *Money and Banking* (New York, 1914) 5th ed.
- White, "New York's Colonial Currency" = Horace White, "New York's Colonial Currency," *Sound Currency*, vol. 5, no. 5, (New York, 1898), pp. 52-64.

